



THE STORY OF
THE C.W.S.
BEING THE JUBILEE
HISTORY OF THE
CO-OPERATIVE
WHOLESALE
SOCIETY LIMITED
1863-1913



Author REDFERN

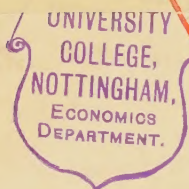
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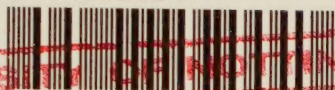
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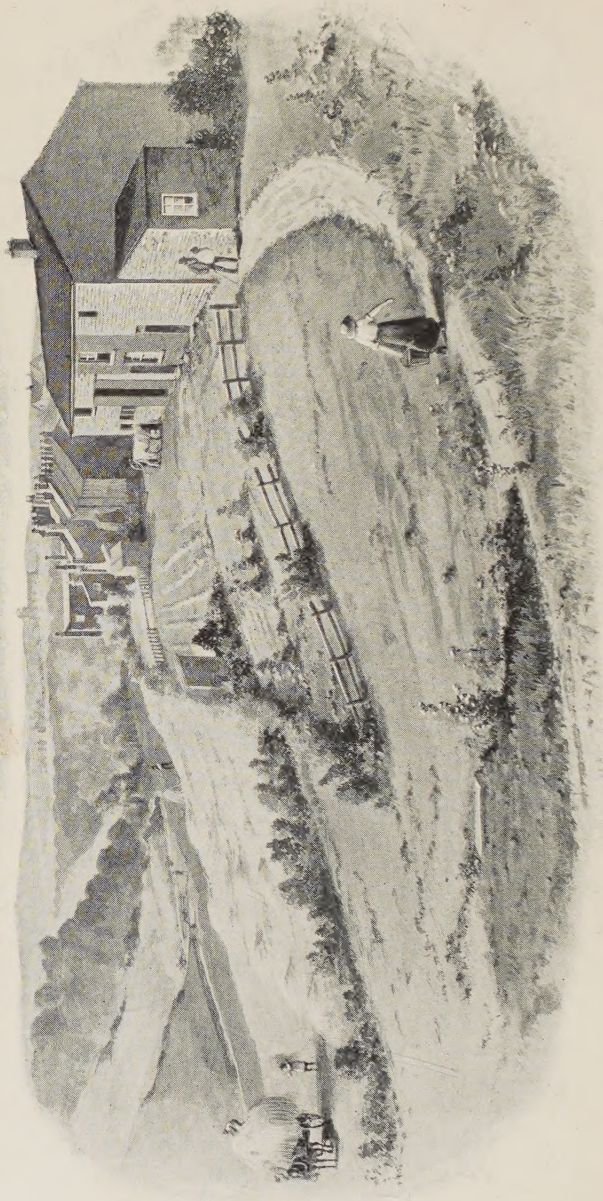
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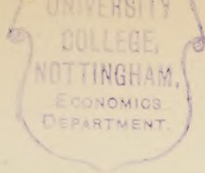
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THE LOWBANDS FARM AT JUMBO AS IT WAS IN 1860.
(Drawn from an old photograph and the descriptions of old residents.)



THE STORY OF THE C.W.S.

THE JUBILEE HISTORY OF THE
CO-OPERATIVE WHOLESALE
SOCIETY LIMITED.

1863-1913.

BY
PERCY REDFERN

(Editor of the "Wheat-sheaf.")

—
*With Three Diagrams Illustrative of Economic History
from 1860 to 1912, by G. H. Wood, F.S.S.*
—

Manchester :

THE CO-OPERATIVE WHOLESALE SOCIETY LIMITED,
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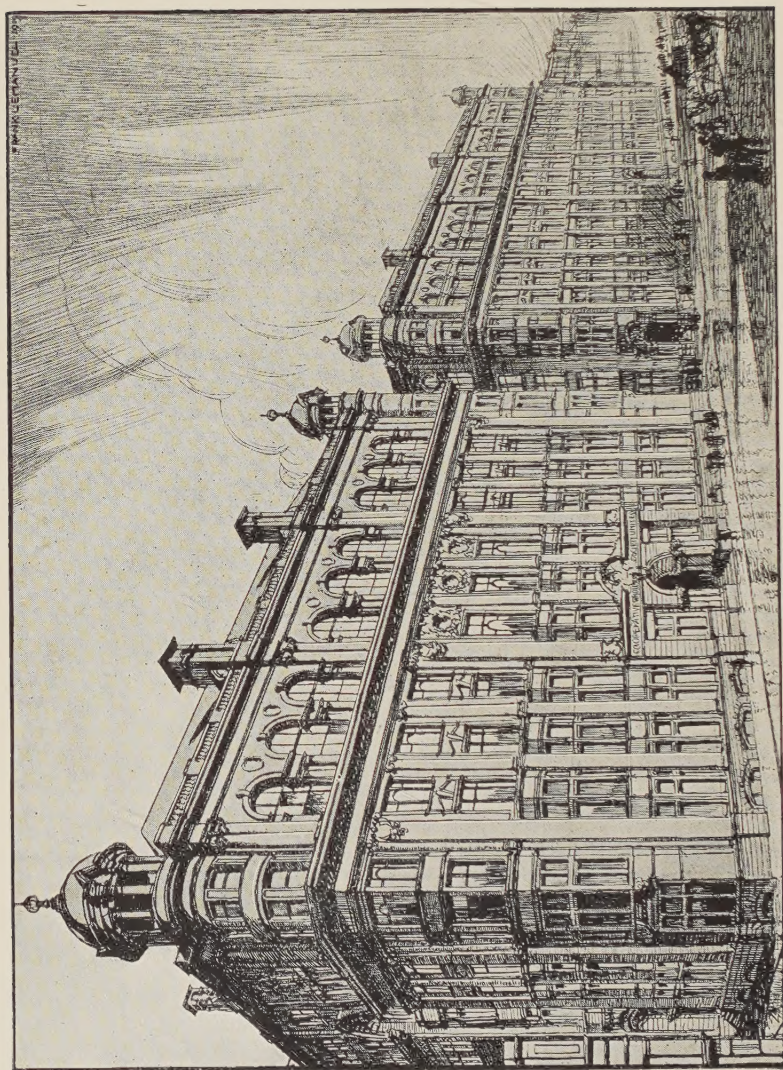
ERRATA.

Page 8, line 22.—For *cases* read *causes*.
,, 40, ,, 8.—,, Mr. Youngs read Mr. Young.
,, 267, ,, 2.—,, factory read factories.

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THE C.W.S. HEADQUARTERS: FRONTAGE TO CORPORATION STREET, MANCHESTER.

PREFACE.

THE Story of the C.W.S. presupposes a general acquaintance with the co-operative store movement in England and Wales. The book may find readers, however, who have not had occasion to discover what economic and social principle that movement actually is built upon, and a few words of introduction therefore may be useful.

It is in some respects unfortunate that co-operators have been obliged to adopt current terms like "profit" and "dividend," for the use of these words has led to much misconception. For example, the modern store movement and the Wholesale Society freely are charged with departing from the principles of the Rochdale Pioneers, when to the student it is clear that the history of both consists in one logical, persistent, almost automatic working out of those principles. The Pioneers lived in a world where men on one hand were bidden to love their neighbours as themselves, and on the other were led in all economic matters to put self-interest first. The contradiction was a little more than they could endure; hence, while they also sought to advance themselves, it was with the difference of taking their neighbours along with them. This principle of mutual effort was not new; it belonged also to Owenite socialism, to trade unionism, to the friendly societies, and to every effort, social, educational, or religious, in which the good of one was the good of all. They applied it to trade and the consumer, by improving upon existing forms of mutual shopkeeping.

A private merchant opens his doors speculatively, taking a risk of profiting by the needs of customers hitherto unsupplied. In mutual shopkeeping the customers estimate their own demand, provide their own store from which to supply it, and retain for themselves what otherwise would be "profit," but is in this case a saving upon a domestic business conducted within the consumers' own circle or club. The grocer's wife is better off than her neighbour because she can get her provisions at wholesale prices. Beyond the ascertained and averaged cost of working expenses, the co-operative store system practically enables any housewife to be in this respect upon an equality with the grocer's, the draper's, and the bootmaker's

PREFACE.

wife. The pennies and shillings of saving that accumulate into quarterly dividends are not profits on trading with others, but the savings of member-customers, resulting from a buying at first cost.

This is not the whole of co-operation; but it was the first economic principle of the Pioneers. It was also a social and a moral principle, because there was a constant inducement to bring more and more people within the circle of customer-membership. The larger and the steadier the buying, and the nearer to first cost, the greater the saving to each and all. So, while the co-operative store movement has increased its membership from thousands to millions, through its federation, the C.W.S., it has reached back to the warehouse, the factory, and the farm. The number of people affected, and the general steadiness of their demands, has made it possible for co-operative obligations to fall more lightly on individual members; but the system is unaltered. A village grows to a city, and individual freedom comes with the increase, yet the one is not essentially different from the other. As represented by the C.W.S., the co-operative movement, that was a village, is now such a city.

Besides this economic principle the Pioneers held to the older ideal of the control of industry by the working class. This, too, has reached its largest historic embodiment in the productive works of the C.W.S.; and the following pages, therefore, go beyond a formal record of events in C.W.S. history. They attempt a history of the principles also, viewed in relation to the larger world that environed their development. At the same time, the main business is with the story of the C.W.S.; and, amongst other new material, it is claimed that a full and true history of the origin of the Society is now given for the first time. The little farm at Jumbo, the railway arches, and the Ancoats rooms from which the C.W.S. issued, like many of the men who met in these places, have waited long for their proper honour, and we trust it is now accorded.

The thanks of the Committee are due and are very cordially given to the many committees and officials of co-operative societies and individual co-operators who so readily and kindly have supplied information or assisted in various ways, enabling the writer to supplement those official records of the Society and published books, papers, and periodicals upon which this History mainly is based. Of the illustrations, the majority are from photographs by the C.W.S.; but many private photographs have been lent by owners of copyright, whose courtesy is gladly acknowledged.

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CHAPTER I.

THE FIRST CO-OPERATIVE MOVEMENT.

The Conquest of Industrial Power—Revolt and Reform—The Owenites—
The North-West of England United Co-operative Company—Period, 1830.

WHEN the Americas lay discovered, and the races of Western Europe entered into the liberties of that glorious new world, a cynic might have said that the only result was an extension of human misery. In the wars and civil wars, in the treacheries and massacres, in the shameless piracies under all flags, in the cruel new slaveries and ruthless usages he would have found his evidence. A similar view could be taken of a conquest still greater than that of the two continents. When the cumulative results of three or four centuries' scientific study of nature suddenly gained practical force through the introduction of steam power, the immediate effects were disastrous to the English people. Not less than in the great colonial adventures, the greed of gain led to the swift destruction of the old forms of life and the imposition of new methods regardless of all social considerations. As a new star is said to begin its course by reason of some terrific collision, so the new industrial era commenced with what seemed like catastrophe.

The early nineteenth century witnessed modern problems attaining their ugliest aspect. The enclosures of land, which preceded and went with the industrial changes, reduced the villagers to labourers. The competition of the factories impoverished and finally destroyed their handicrafts. Works and coalpits almost equalled in the misery of their conditions the worst silver mines of old Peru. Big new towns without municipal powers enclosed masses of people who were practically uneducated and totally unenfranchised. The laws that did little or nothing to prohibit the destruction of women and children in the new factories, or to secure the elements of sanitation and health, or to prevent truck, at the same time forbade the workers combining to help themselves. We have had pictures in number of "dear old England," but it is still difficult to realise what England actually was for those who knew

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little of the old personal relations between man and man, and nothing at all of the social forces to come.

"There were slaves in those days as well as the negro," wrote Justin McCarthy, of 1830, in his *Epoch of Reform*. To guess the depth of the slavery one must regard some classic facts of the period through the dismal atmosphere of its philosopher, Malthus, who taught that benevolence was proper to the Deity, but in short-sighted man would lead to the grossest errors. In 1833 the Chief Constable of Huddersfield collected statistics, according to which the typical factory village of Slaithwaite, near Huddersfield, then contained 363 families, or 1,896 individuals, whose total earnings were £202. 18s. 9d. weekly, or 2s. 2d. per head. Twopence per day, reckoned over six months of full work, was the average in a smaller village. Handloom weavers' wages in Bolton, which had been 25s. weekly in 1800, were 5s. 6d. in 1830. In 1839 a census of 31,632 factory labourers discovered only 3,024 adult men, and, of the rest, 18,416 were under eighteen years of age.¹ Factory hours were from 5 or 6 a.m. to 8-30 or 9 p.m. Women in the coal pits, almost naked, were employed to drag trucks through low, wet galleries. Children worked underground from five years old, so hungry that occasionally they were known to eat the colliers' candles. Cholera broke out at Sunderland in 1831, and spread rapidly to the Midlands. In Bilston, with 14,492 people, there were 3,568 cases in seven weeks, 742 of which were fatal.² Readers of the *Old Curiosity Shop* know the horror that the Black Country inspired in Dickens; but, far from the flames and fumes, the rural districts were filled with paupers. The poor rate for the Buckinghamshire parish of Cholesbury rose from £10. 11s. in 1801 to £367 in 1832.³ Meat, meanwhile, averaged twice its present price.

The *Lancashire and Yorkshire Co-operator* of 1832 tells how the editor, going home at two o'clock of a March morning, found a seven-year-old child sitting innocently by the gates of a factory. Her mother had no timepiece; and on the previous day the child had been beaten for being late. Individual memories of days little later than these have been communicated to the writer by old co-operators. One has told how his mother contracted rheumatism while working at her handloom. The holes in the earth floor of her cottage, underneath the treadles, could not be kept free from water, into which her feet splashed at every downward movement.

¹Prof. Cheyney: *Industrial and Social History of England*, p. 237.

²Dr. Cunningham: *Growth of English Industry and Commerce*, Vol. III., p. 808.

³*Ibid.* p. 767.

A Slough of Despond.

Mothers, he added, commonly gave their children poppy-juice to lull the little ones while they worked. Another recollects witnessing a family of emigrants start on their journey. Six people were huddled in straw at the back of a wagon loaded with pigs, and they would spend two days in this manner while travelling the seventy miles to London. An old Northumbrian remembered the coarse barley cakes that were then the staple food of agricultural workers, and he added that nobody could hope to rent a house under a farmer in those days unless he could provide a "bondager"—a woman to work out at 10d. a day. "Master was master then; man had little to do wi't." Meanwhile political economists taught that "private interest is the great source of public good." The story of how dissent from this dogma was treated at Kendal is, at this time of day, not without a certain humour:—

Many of the master shoemakers combined for the purpose of putting us down; they determined not to employ any person belonging to our society, or even anyone who worked or lodged with a co-operator. . . . The most diabolical of their schemes to thwart us was the waylaying of our secretary on his peaceable return from one of our meetings, who was attacked by three or four ruffians, who so shamefully maltreated him that, for a short time, he was deprived of his senses; a watchman, hastening to the spot, seized the man who had been the most active in the foul deed, and without waiting to see further into the matter dragged our bleeding friend, with the ruffian, to the "black hole." Our secretary, who did not enjoy good health, was thus flung into a beastly dungeon, where he had to continue for twelve hours; then taken before the Mayor, who discharged him, and ordered the man who had abused him to pay £1 to the King! but no recompense to our much-injured secretary. The perpetrator of this foul deed was the son of a master shoemaker.¹

The reward of the active co-operator in 1830 evidently was not in proportion to the need of him.

These particulars broadly illustrate working-class conditions during the first quarter of the century.² It was a state that a people

¹*Lancashire and Yorkshire Co-operator*, May, 1832.

²Frederick Engels' well-known study of *The Conditions of the Working Classes in England in 1844* may be cited as carrying the story down to the year of the Rochdale Pioneers. Engels gave much attention to some vanished slums of Manchester, as the following description of conditions then existing on the banks of the Irk, close to Balloon Street, will show:

"Passing along a rough bank, among stakes and washing lines, one penetrates into this chaos of small one-storied, one-roomed butts, in most of which there is no artificial floor; kitchen, living, and sleeping-room all in one. In such a hole, scarcely five feet by six feet, I found two beds—and such bedsteads and beds!—which, with a staircase and chimney-place, exactly filled the room. . . . Everywhere before the doors refuse and offal; and any sort of pavement that lay underneath could not be seen, but only felt, here and there, with the feet. This whole collection of cattle sheds for human beings was surrounded on two sides by houses and a factory and on the third by the river, and besides the narrow stair up the bank, a narrow doorway alone led out into another almost equally ill-built, ill-kept labyrinth of dwellings.

"Enough! The whole side of the Irk is built in this way." . . . (P. 51.)

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having free traditions could not endure. The poets already had prophesied against it—Blake with his vision of a new Jerusalem in England's green and happy land; Burns, with his passionate defence of the human worth of the poor; Southey, looking back to Wat Tyler; Byron, fiercely scornful of the rich; even Keats, Coleridge, and Wordsworth striking in individual fashion upon notes heard in Goldsmith, Gray, and Crabbe. Peterloo had evoked the quick response of Shelley, who, an exile in Italy, offered himself for the moment as the poet of Lancashire in his interpretation of the value of the freedom:—

For the labourer thou art bread,
And a comely table spread;
From his daily labour come
In a neat and happy home.

Science and poetry and thought
Are thy lamps; they make the lot
Of a dweller in a cot
So serene he heeds it not.

Meanwhile, quite independently of the poets, who were mostly without honour, on a dozen different sides men of affairs were busy. Cobbett was at work, and Lovett, Hunt, and Hetherington. Francis Place was organising for the repeal of the combination laws. Shaftesbury was soon to enter Parliament. Sadler and Oastler and Fielden were beginning their labours for the children. The different societies founded by Bell and Lancaster were forwarding the popular education which commenced with Raikes. And (what is especially to our point) Robert Owen, with the laurels of his great work at New Lanark still upon him, was everywhere putting before the minds of men the possibilities of united action for the common good.

The methods of the communistic co-operators whom Owen called into being were radically different from those of the co-operators of to-day; but Owenite accounts of general aims still wear a very modern aspect. A statement of articles of agreement for a community "within fifty miles of London," issued before 1830 by a "London Co-operative Society" at 36, Red Lion Square,¹ began by proposing, "in lieu of the existing system of individual competition, a system of modern co-operation in the production of wealth, and of equality in its distribution." "This," said the society, "would remove the greater portion of the evils under which society at present

¹This statement was adopted by the third Co-operative Congress, sitting in London, in April, 1832



ROBERT OWEN.

ROCHDALE FLANNELS.

The Friendly Co-operative Society, of Rochdale, beg leave to solicit the encouragement of their Co-operative Brethren in their FLANNEL MANUFACTURES. In consequence of the unprecedented depression of the Flannel Trade, several of their members have been thrown out of employment; and in order to rescue these from actual starvation, the society has been induced to commence manufacturing on an extensive scale in the above business, in confident expectation of the support of their fellow-co-operators. Their Flannel Pieces are 46 yards in length, and vary in price from 36 to 60 shillings. Orders (with ready money) will be thankfully received by Wm. HARRISON, & Co. Friendly Co-operative Store, Cheetham-street, Rochdale.

N. B.—In order to prevent miscarriage of Goods, those societies who favour them with their orders are requested to be particular in sending their Address.

AN EARLY CO-OPERATIVE ADVERTISEMENT.

(Lancashire and Yorkshire Co-operator, 1832.)



WOMEN'S LABOR IN COAL MINES.

(Report of the Children's Employment Commission, 1842.)

Ideals of the Owenites.

labours." The statement went on to declare that the splendid advances already made in the arts and sciences were useless without a corresponding advance in moral and social science. It objected that existing arrangements did not provide even for a majority. It asserted that individual competition and private accumulation had produced excessive inequalities of wealth and glaring contrasts; and it affirmed the power of mutual effort to supply all the necessities and comforts of life. Then it outlined the sure Utopia—towards which the fortunate readers might immediately place subscriptions with a firm of bankers. In this new world (within fifty miles of London) there would be found voluntary, varied, and attractive work, an eight-hour day, private and public apartments, equality for women and freedom (through a co-operative subdivision of labour) from domestic drudgery, common nurseries for children, and common care for health, together with education, arts, and amusements for all.

This London Society renounced individual profit, and abhorred the shop counter, its object being "not trading and accumulating, but producing and enjoying." Other societies also under Owen's influence, as the Halifax Society of 1829, were content with more modest aims. The Halifax co-operators desired "to unite to raise a capital by subscriptions, to purchase food and clothing as low as possible for ready money; to retail them to themselves and the public for ready money only, at retail prices, and to add the profits to the stock." A Liverpool Society stated that its objects were "The acquisition of a common capital for the mutual protection of its members against poverty; the attainment of a greater share in the comforts of life; and the diffusion of useful knowledge and moral improvement." One fatal weakness, however, was shared by all these societies. Owen declared that "the natural standard of value is human labour." Holding to the further dogma that "labour is the only source of wealth," almost every society, communistic or co-operative, extreme or moderate, began to attempt manufacturing. In the labour-power of any little group of people they saw a sure spring of well-being, sufficient and complete, and the mirage led them on until they perished in the desert.

Yet it was largely through this idea of production that what may be termed the first co-operative wholesale society came into existence. Even this—The North-West of England United Co-operative Company—had a predecessor in the bazaar for the sale or exchange of co-operative produce at 19, Greville Street, Hatton

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Garden. But the bazaar seems to have done little more than spend the £100 which Lady Byron generously provided, whereas the company was a real collective effort. It was decided upon at the first Owenite Co-operative Congress, held in Manchester in May, 1831. Indeed, with the enthusiasm of the time, the Congress resolved upon not one, but "various wholesale trading companies." They were to be "formed by unions of co-operative societies, and conveniently situated at the various seaports in the United Kingdom, in order to purchase and sell every article of consumption at the lowest possible price for the benefit of the several societies forming such companies, and also to encourage and promote the sale and exchange of co-operative manufactured and other produce." On the motion of Robert Owen himself, the Liverpool company was forthwith decided upon, and laws were drawn up for its governance. A reprint of these laws appeared in the *Co-operative News* for March 11th, 1876. The capital was to be raised by contributions and loans. Each society desiring membership was to contribute in the proportion of £20 for every 100 members. At Halifax the call was met by individual subscriptions of 4s. each. Business was to be done for societies on a commission of 1 per cent for members and 1½ per cent for non-members. Thirteen trustees were to be elected by delegates of societies, who were to appoint officers. All profits were to go towards forming a co-operative community, or to any other purpose decided upon by the societies' delegates.

At the second Congress, held in Birmingham in October, 1831, the North-West of England United Co-operative Company was still a project. Robert Owen was in the chair, and, considering the resolution he was reported to have moved six months earlier, his attitude was a little surprising. He thought the societies "incapable of competing with the large manufacturers and capitalists," and said that "the only good the societies could effect in this matter was to communicate to each other a knowledge of the best markets for different articles." He declared that prosperous wholesale houses turned over £2,000,000 per annum—it is notable that when the C.W.S. was launched the annual co-operative turnover had just passed this total. Owen, therefore, recommended the societies "to make arrangements with some house of extensive business," or, if they were determined to take action, to appoint a committee of investigation. Nevertheless, £500 was subscribed—at any rate, on paper; a management committee was chosen, and a warehouse

The Earliest "Wholesale."

taken in Liverpool. The new institution opened for business on December 12th, 1831. If we may borrow the words used by one of the company's supporters (the president of the then Halifax Society) in commending a local manufacturing federation, and apply them to the Liverpool project, the latter was:—

A co-operation of co-operative societies, so that what one society could not do single-handed a number of them, when united together, might accomplish, and by this means be better able to employ some of the members of each society sooner, and be able to bring a larger capital into the manufacturing field, thereby taking a bolder attitude, and obtaining a firm standing against the competition we shall have to meet with.

The first report of the committee of the company was presented to the third Congress in London, 1832. The committee professed "sanguine hopes" of "establishing a medium of exchange for co-operative productions, and thus connecting in a close bond of union the societies of all parts of the kingdom." Twenty-one societies had joined the company, and thirty-one had commenced dealing. The sales had reached £1,830, upon which the company had gained in commission £24. 12s. 1d., against expenses amounting to £51. 7s. 3d. The company's warehouse also was full of co-operators' manufactures. Apparently, by the ingenious methods adopted to secure "an exchange of labour for labour," one society might supply its productions to another having credit at Liverpool, and receive payment from the centre in the form of provisions.

When the fourth Congress came to Liverpool in October, 1832, the trustees reported that "not only has the temporary loss which was sustained by the first four months' trading been covered, but that, owing to the increased business, a small balance of profit remains after paying every expense connected with the establishment." Besides a considerable provision business, £400 worth of co-operative manufactures had been "disposed of at the warehouse in Liverpool." With the renewed help of Lady Byron, a simultaneous bazaar of co-operative productions—the first Congress Exhibition—was organised by the company. "The bazaar was visited from day to day by numerous parties of ladies and gentlemen;" and on the last day the remaining goods "were exchanged by the delegates among each other, so that very few took back the goods they brought."

Notwithstanding this cheerful account, we do not sight the Liverpool enterprise again. Owen's paper, the *Crisis*, in its report of the Huddersfield Congress of April, 1833, gives no news of it, nor does its name occur in any subsequent issue. Like many

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another venture of the time, it may be written down as foundered at sea. Launched amidst enthusiasm, it sank in darkness, unregarded and alone. Owenism, meanwhile, was attempting fantastic things. The glittering idea of abstract labour-value was producing the Labour Exchanges, where knowing people, while they had the opportunity, deposited articles of no commercial worth, and took away all they could obtain of a contrary kind, leaving the Exchange counting "profits" in surplus thousands of "hours." A currency of labour notes was being created, which (said the *Crisis*, in its report of the opening of the London Labour Exchange of 1832) "are already and will become increasingly more valuable than gold and silver coin." Owen passed on to his "Grand National Consolidated Trade Union of Great Britain and Ireland," to the "Association of All Classes of All Nations," and the "commencement of the millennium" at the Queenwood community. Finally, with the rise of chartism, co-operation as a national movement was submerged until it began again at Rochdale.

Without doubt the special difficulties of those days largely accounted for the practically universal breakdown. The fact that no legal existence was possible, together with the absence of railways and the crude organisation of co-operation generally, left no hope for a wholesale society in particular. *But even if these cases had been removed there still would have remained a more potent root of failure. This was the old idea of the superiority of production, which led these co-operators to organise labour first and search for consumers afterwards. The newer co-operation succeeds by organising and rewarding the consumer, and afterwards employing labour.* Nevertheless, from parks and art galleries to school clinics and day nurseries, and from co-operative wholesale societies to municipal trams, there are few combined efforts to-day which do not represent under new forms some old ideas of Owen and his earnest followers.

CHAPTER II.

THE NEW PIONEERS.

Old Existing Societies—Rochdale—The Christian Socialists—The First Central Agency—The Midland Counties Wholesale Society—Period 1830–60.

BETWEEN the last of the Owenite Congresses in 1833 and the beginning made by the Rochdale Pioneers in 1844, here and there in the country co-operative societies continued. At Sheerness, around Huddersfield, in Teesdale and elsewhere a dozen links with co-operative antiquity are still to be found. The Lockhurst Lane Society, near Coventry, and the Meltham Mills and Ripponden Societies, in Yorkshire, are typical examples. The Ripponden Society goes back officially to 1832, but is said to have "got agait" some years before it was registered. An old member of the society, vigorous at eighty-four (in 1912), tells that two employers in those days ruled the whole valley, and the co-operators dare proceed only by stealth. A vicar's wife, who liked a parishioner's bread, asked where the flour was bought, and the housewife with difficulty avoided confessing that it was obtained through the secret store at 2s. 8d. a dozen, instead of from the employer's son's shop at 4s. 6d. When this shopkeeper left the district "the co-op. then durst go a little bit further." The Ripponden Store was Owenite, in that the profits were meant to accumulate and form a capital for manufacturing, but it stayed safely, if ingloriously, on the hither side of this pitfall, and the fund was divided between the founders. At Meltham Mills, which goes back to 1827, the Rochdale Pioneers were anticipated, so far as the method of dividing profits is concerned. Dividend on purchases was paid from the start, but a member was obliged to hold £6 in shares and pay £1 down. Ripponden, Lockhurst Lane, Stockport Great Moor, and others of these old societies positively limited their membership until they adopted the Rochdale plan; and Meltham Mills, probably without raising formal barriers, showed nothing of the missionary spirit. Isolation and abundant caution saved these societies from the fate of the first national movement, but it left them powerless to create any such wave of enthusiasm as that which spread out newly from Rochdale.

The Story of the C.W.S.

The co-operation of the Lancashire pioneers was Owenism with a difference. To apply a saying of Robert Southey's, it was "a sprig of Owenism grafted upon a stock of common sense." Under Owen's influence they formed their programme as leading up to "a home colony of united interests." Their homely ideas, however, led them to fix upon mutual storekeeping, which Owen had patronised rather than preached, and to spend the efforts of the first few years in putting this small thing upon a sound basis. The rules drawn up by Howarth and Daly may not have varied greatly from those already in force, unknown to Rochdale, upon the other side of the Pennines, but they embodied a different zeal. The mere 1s. entrance fee, with provision for making up the four necessary £1 shares mainly out of profits accruing, and the subsequently-given power to draw out capital down to £1, together with the system of dividing profits in proportion to the amount of purchases, practically meant an open door. Insisting also upon cash payments, the Pioneers helped their fellows to break the almost universal fetters of debt. And they kept the way of approach clear of special obstacles by maintaining neutrality concerning Owenite metaphysics and everything else of the kind. At the same time the Rochdale group included men who valued knowledge and secured its endowment, and who had the ability and will to make their own movement known.

In this narrative we shall need to visit Rochdale more than once. Upon the solid basis of success which the Pioneers laid in 1844 the Rochdale corn mill was erected in 1850, and the experience gained through this federal mill largely contributed to the shaping of the Wholesale Society. But for the moment we must turn aside to discover another movement separated from pure Owenism. Removed from Rochdale and its weavers, this second development proceeded during the same period. In 1844 Frederick Denison Maurice was joined by Charles Kingsley, and within the next few years the adhesion of Ludlow, Mansfield, Hughes, Neale and others increased the brilliance and distinction of the little band of Christian Socialists. Nowadays there are rectors, deacons, and even bishops who would call themselves socialists simply; but in 1850 the term had a different meaning. Maurice and his friends felt it necessary to assert their position. Writing to Ludlow in January, 1850, Maurice declared that the term "Christian Socialism" would "commit us at once to the conflict we must engage in sooner or later with the unsocial Christians and the unchristian socialists." The idea of co-operation, which Owen had proclaimed, was now by

The Christian Socialists' Effort.

most people despised and rejected. The Christian Socialists meant to glorify the Christian idea of brotherhood which they found at the core of it; while, with equal force, they declared themselves *not* Owenites.

It is natural and yet striking that these two widely-different movements of working-class co-operators and middle-class churchmen soon discovered each other. Early in 1850, following some conferences with London chartists and others, the Christian Socialists organised themselves in a Society for the Promotion of Working Men's Associations, with a Council of Promoters. When Edward Vansittart Neale joined the Council very shortly afterwards, the Northern co-operators were already in correspondence with the new society. He may have perceived some immediate possibilities of the Lancashire and Yorkshire beginning. At any rate, he brought new ideas into the Council, and, as Hughes said, soon "forced the running." At his own cost, and independently of the Council, he founded the Central Co-operative Agency.

In the *Co-operative News* for March 17th, 1877, the founder stated that it consisted of two trustees, Hughes and himself, and of a commercial firm of Le Chevalier, Woodin, Jones, and Co., to whom capital was advanced at 5 per cent for conducting the business of the agency. The new institution was located at 76, Charlotte Street, London, W., and it opened for business on October 24th, 1850. Mr. Woodin, it may be added, afterwards maintained a long and honourable connection with the C.W.S. as its tea merchant. Mr. Lloyd Jones, previously a disciple of Owen, remained for many years a brilliant advocate of co-operation. Le Chevalier, according to Holyoake, subsequently was found to have been secretly in the pay of Napoleon III.; he dissociated himself from the agency after a year's working, and attempted to establish a "Consumers' Protection Association."

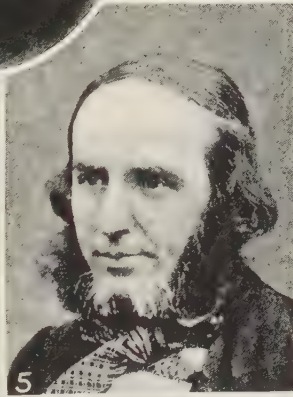
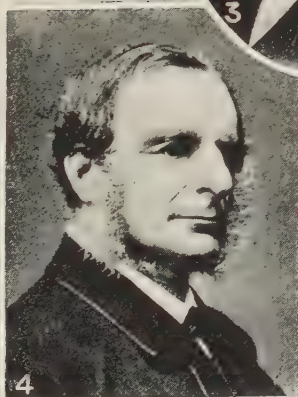
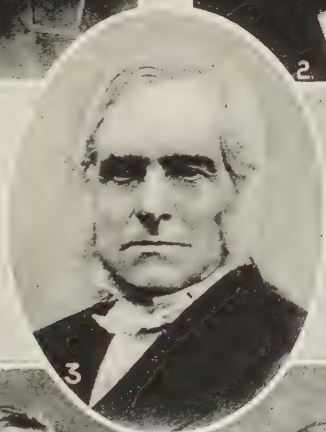
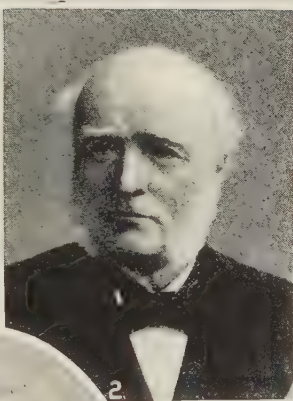
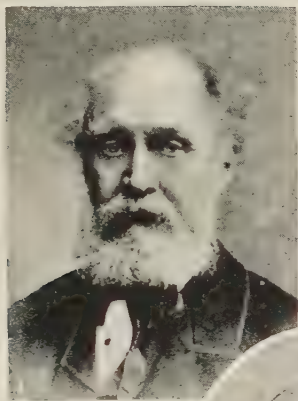
Judge Hughes, the co-trustee, speaking in Manchester in 1878, declared that the agency was "an anticipation of the Wholesale Society." As a matter of fact, its declared aims made it something of a C.W.S., a Co-operative Union, and a Labour Exchange in one. An "Address to Trade Unions," printed in the *Christian Socialist* in 1851, officially defined the centre as "a legal and financial institution for aiding the formation of stores and associations, for buying and selling on their behalf, and ultimately for organising credit and interchange between them." Prominent among the objects of the agency was that of counteracting adulteration and

The Story of the C.W.S.

fraud in trade. From the time of starting the first co-operative corn mills at the end of the eighteenth century, protests against adulteration were continually being raised, and they were still needed. The grocers' oldest trade journal, the *Grocer*, which commenced publication in 1862, in its first years frequently defended the trade against general charges of adulteration, and affirmed that in this respect "the present" showed "a decided improvement" over "the past." Yet, taking the columns of this organ from 1862 for the next few years onwards, we find direct evidence that tea, flour, bread, sugar, rice, milk, butter, lard, arrowroot, chocolate, cocoa, coffee, mustard, pepper, tobacco, snuff, soap, and tallow were all specifically adulterated, at any rate by the "few black sheep" to which the *Grocer* confessed. In 1863 a Hebden Bridge miller was fined £10 for having 25cwt. of alum on his premises. A writer in the *Field* in 1863 instanced a Manchester shop, "not very small," where it was "quite one man's work to adulterate." Even raisins and currants were said to be "rubbed with treacle" to make them heavy. And we read of large seizures of short-weight butter, and of "putrid tea" being burned by order of the courts. If we are to believe the *Grocer* it was only the innocent co-operative societies who, in the sixties, bought the "many tons of inferior butter" put on the market; but it was not a co-operator who invested £1,500 in "an invention for converting impure and rancid butter into the finest Dorset . . . solely by the admixture of water." This fact, which came out in the courts and was recorded in the *Co-operator* for August, 1864, takes us a little ahead of our story; but it suggests frauds which are bad enough to-day, which were more extensive when the C.W.S. started, and by all probabilities were considered quite respectable in 1850.

After existing for about two years the Central Co-operative Agency came to an end. Our last glimpse of it is through a reflected splendour. In July, 1852, a prospectus appeared in the *Operative* of a Co-operative Investment Society. Its capital was to be £100,000, "with power to increase to £1,000,000." And this huge financial trust was greatly to be facilitated by a connection with the Central Co-operative Agency, of 76, Charlotte Street, Fitzroy Square! Unluckily, by the end of 1852 the agency, and the *Operative*, and presumably the Investment Society (if it ever lived) were all dead.

Various causes contributed to the failure of the agency. An important reason was that, unlike the early attempt in Liverpool,



A GROUP OF CHRISTIAN SOCIALISTS.

1. E. Vansittart Neale. 2. Thomas Hughes. 3. F. D. Maurice.
4. Charles Kingsley. 5. J. M. Ludlow.



THE ROCHE DALE PIONEERS: SURVIVORS IN 1865.

Back Row: James Manock, John Collier, Samuel Ashworth, Wm Cooper, Jas Tweedale, Jos. Smith.
Front Row: James Standing, John Fent, Jas Smithers, Chas. Howarth, David Brooks, Benj. Rudman, Jno. Scowcroft.

A Dépôt in Lancashire.

it was not a federation of societies. It was not the societies' own, and they felt no vital interest in it. One able and wealthy man, backed up by equally disinterested workers, could do much, but he could not fill the place of a collective and democratic movement. On the business side, also, the agency was too far removed geographically from those whom it was meant to serve. Yet it did not fail without doing its full share towards attaining future success. The business difficulty had led to the establishment of a branch at 13, Swan Street, Manchester. Mr. Lloyd Jones, who is still remembered as one of the keenest and most eloquent of co-operators, was put in charge as a missionary for the agency, and for co-operation in the North generally. J. M. Ludlow, on tour in Lancashire and Yorkshire in October, 1851, wrote to the *Christian Socialist*, trusting that the branch might "yet become the real centre of co-operative business throughout Lancashire and Yorkshire." Ludlow further reported that "the idea of a provincial wholesale dépôt is in the minds of all the Lancashire co-operatives. . . . that the plan for its establishment is already drawn up . . . and that the only question respecting it is whether it shall be set up in Manchester or Rochdale." As a matter of fact a co-operative conference had met in the Commercial Buildings, Bury, on Friday—presumably Good Friday—April 18th, 1851, to resolve that "it would be advantageous and beneficial to the various co-operative societies if there were a union of action established for the furtherance of mercantile transactions, and therefore this conference recommends the establishment of a central trading dépôt." A committee was appointed, and another conference held in Manchester on June 13th, when a committee of four was chosen to draw up a prospectus and invite financial support for a general dépôt in Manchester.¹ This effort proved to be premature, but it was certain that the successful dépôt, when it came, would be in the closest possible relation with the retail societies of Lancashire and Yorkshire.

In all big matters the right method is usually found by exhausting all the wrong; and another than the federal system of co-operation was yet to be tried. During the course of its good work for the important Industrial and Friendly Societies Act of 1852 (championed in the House of Commons by Mr. R. A. Slaney, M.P.), the Society for Promoting Working Men's Associations held two co-operative conferences, in 1852 and 1853. The first was in London, the second in Manchester. The London conference appointed an executive.

¹A plan was drawn up by Lloyd Jones. See Appendix I.

The Story of the C.W.S.

which reported at Manchester upon establishing "wholesale central depôts." The committee suggested three courses. The first and most complete method was that of the societies in each district federating to create a wholesale house. Such an institution would have been a C.W.S. in a less degree. The second proposal, "not so complete" but "more practicable," meant that "the largest store in a given locality should be adopted as a centre." The third plan, "outlined two years since at a district conference held at Bradford," was for societies jointly to employ a chosen buyer who, working from a central office, would act as agent for all.

The last was the method which the committee recommended most strongly. Curiously, the C.W.S., which now embodies the most ambitious of these plans on a national scale, itself began in this cheap and cautious style of an agency. Nevertheless, the history of wholesale co-operation for the next few years represents the working out of the second recommendation, in favour of leading stores creating wholesale departments.

In 1855 the dozen delegates who at that time quite sufficed for a co-operative conference met at Rochdale. The Society for Promoting Working Men's Associations had been unable to organise that year's annual gathering, and the Pioneers had stepped into the breach. The conference agreed that "it is the duty of the various co-operative stores to deal with some co-operative centre, and that Rochdale be recommended as the centre for the surrounding neighbourhood." After a further conference of societies in the locality in 1856, the Rochdale Pioneers consented to commence a wholesale department. Accordingly they formed a separate wholesale committee, and set aside capital for the new venture. But a series of losses, amounting in all to £1,500, obliterated the profits, and after three years the department was closed. Abraham Greenwood, the chairman of the Pioneers' Wholesale Committee, has said that the enterprise was killed by the jealousy of societies leading to disloyalty. Accepting the human nature we have to work with, it is easy to see how complications might have arisen. Other towns possessed societies which were on their way to becoming equal in power with the Pioneers. At a slightly later date some of them, as we shall see, entertained the idea of wholesale trading. Now, competition between co-operative societies usually develops by force of circumstances rather than of intent, hence it is the more clear that general wholesale trading by retail societies, if it had flourished at Rochdale, might have spelled disaster in success. Either there

An Attempt in the Midlands.

would have been desperate overlapping, or strict boundaries would have made a national unity impossible.

After the wholesale department was abandoned, the Rochdale Society continued to do a small amount of wholesale trading, particularly in yeast, for which it had an agent in Hull. Evidences remain of wholesale trading by other co-operators. An old counter bill of the Oldham Industrial Society, dating from soon after 1861, bears the style "Wholesale and retail grocery and drapery establishment, King Street." The *History of the Gloucester Society* states that in 1862, as a result of a local conference, the Cheltenham Society bought sugar from the Gloucester co-operators "on very strict business terms." Wholesale trading of some kind was carried on in connection with an almost forgotten co-operative movement round and about Selly Oak, Digbeth, Smethwick, and Hockley, in Birmingham, between 1846 and 1850. "Upon the passing of the Industrial and Provident Societies Act in 1862," says Mr. Jackson in his *Industrial Co-operation in Bristol* (writing of the then existing Bristol Industrial and Provident Society), "this society registered afresh, taking to themselves the title of wholesale and retail dealers, with power to buy land." The year 1862 brings us, also, to a more striking development of such wholesale trading.

It originated with the Northampton Progressionists' Industrial Society. Mr. John Butcher, of Leicester, who was secretary of the Banbury Society in 1866, states that this was a retail society, which developed wholesale trading to supply the small societies round about Northampton. In 1862, the year in which federations of societies were admitted to legal existence, the Northampton wholesale department was separately established as the "Midland Counties Co-operative Wholesale Industrial and Provident Society Limited." Its business was that of "general dealers and millers;" its headquarters were at 59, Grafton Street, Northampton; and it also shared premises in Wellingborough Road and occupied the St. Andrew's Mill. Further, it was in some connection with the Northampton Industrial and Provident Boot and Shoe Manufacturing Society Limited, of 53, Grafton Street. Some fourteen local societies ultimately became members of the Midland Wholesale. In a return to William Cooper, when the formation of the Co-operative Insurance Society was being considered, the membership was given at 2,714, which evidently represented the total of the federated societies' members. A minute of the federation of 1867 proves that sugar was one of the articles supplied to its constituents. From the

The Story of the C.W.S.

Jubilee Souvenir of the Moulton Society it may be inferred that affiliation with the Midland was not inconsistent with purchasing occasionally from the North of England C.W.S. The Northants federation was always closely intertwined with the retail society of the Progressionists, using the same premises and depending upon persons holding identically the same positions in both bodies; and in 1867 there was much discussion in the parent organisation as to the wisdom of the connection. A year later the Moulton delegates were empowered to vote for "the amicable winding up of the Wholesale Society." In 1870 an end could not be delayed. Notwithstanding its title (almost enough in itself to give stability), the M.C.C.W.I. and P.S. Ltd. ceased business, and the Progressionists came to a stop with it. The immediate causes of failure were given as "Loss on mill; cutting; heavy stock of cottons, silks, twists, grindery, &c., rendered useless on introduction of machinery into the boot trade." Says Mr. Butcher, "they got out of their depth." The same liquidator performed the melancholy task simultaneously for both societies. All creditors were paid in full, and the shareholders received 35s. for every £5 share.

Thus ended the last of all the predecessors of the Co-operative Wholesale Society. It was a failure of much consequence locally. Even now there are said to be old co-operators in Northamptonshire who are distrustful of investments in the C.W.S. One is reminded of the wife of a co-operative president in the West of America, a lady of German birth, whose comment upon views and statistics of the English C.W.S. published locally was, "O, dat's all right. Nobody round here believes *dat*!"

The Midland venture, however, did not go out in utter darkness, for already in the North the beacon of the C.W.S. was burning brightly.

Jumbo Nov 4 1860

Minutes passed at the
Committee for drawing up
rules for governing Cooperative
Societies under the Limited
Liability act

Resolved that Mr Jas Dyson
be the Chairman

Wanted

The Power to do business
in the name of the Society

Power to purchase or ~~lease~~
any quantity of Land

Limited Liability.

To be allowed to invest in
any other Company or Society
in the name of the Society

Power to devote a portion of
the Profits to the formation of schools

only except the mover of
a Motion and that he
be allowed only five minutes
for each speech.

Afternoon Sitting

Resolved 1st That the a
Wholesale Agency & Depot be
"established & the Name to be
The North of England Co-operative
Wholesale Agency & Depot Society,
Limited."

2nd That this Society be
registered under the under
~~stand~~ the Industrial &
Provident Societies Acts

3rd That the Conference
Committee be recommended
to call another conference
at Whit Sunday in Liverpool

CHAPTER III.

STEPS TOWARD FEDERATION.

Ideas of Union—Lowbands Farm at Jumbo—Christmas Day under a Manchester Railway Arch—Legal Difficulties and the Men Who Met Them—Year 1860.

“YOUR castles are in the air?” wrote Thoreau. “That is where they should be. . . . Now put the foundations under them.” By 1860 a national co-operative wholesale society, in this whimsical reckoning, was quite ready for basing on earth. In 1851 a writer in the *Operative* had looked forward to co-operative stores in London, Manchester, Rochdale, Bury, Oldham, Crewe, Swindon, and other places, “agreeing to take their goods from one store,” and saw no reason why these stores through united action should not “deal direct with China.” In 1858 the cloud-capped towers appeared over the very ground of the mundane structure. In the autumn of that year, Mr. R. Applegarth, the well-known veteran trade unionist, “walked from Sheffield to Manchester to seek work,” and was provided by a shopmate with “a banquet of bread and cheese and beer.” “It was at a little public-house, and I have kept run of the locality, because . . . I have seen the splendid buildings of the C.W.S. erected on the place where that public-house stood.” Three visitors turned up from the Rochdale Pioneers’ Society, and their conversation deeply impressed the footsore and weary searcher for employment. “Amongst the things which I best remember were the words of one of the old men, who said, ‘Aye, but we ought to have a big shop in Manchester and buy everything that co-operative societies want. We could buy on a larger scale and on better terms, and distribute the goods right and left as societies were formed.’”

When the *Co-operator* appeared, in 1860, the working-class imagination was a little dazzled by the prospect of starting joint-stock companies under the limited liability laws. Nevertheless, in the fifth number of the *Co-operator*, Mr. Henry Pitman, the devoted editor, put the subject of a wholesale agency very directly

The Story of the C.W.S.

before the co-operative world. "Sooner or later we shall be compelled to import articles for consumption, as well as for manufacture, and a union of the various societies in existence will best enable it to be done." In the same number a Sunderland operative shipwright asked for a "wholesale stationery establishment coupled with a paper mill to supply co-operators with the paper they are using." In December, 1860, apropos of a big purchase by the Bacup Society, the editor again asked, "Why not establish a central wholesale depôt, and the various societies provide the necessary capital? We have the power; we lack the will." A month later, a correspondent¹ wrote from Berry Brow to say that thirteen Huddersfield and district societies had joined to form a general and wholesale depôt in Huddersfield. "Our rules are now before the Registrar, and we expect to commence early in the new year. We are going under the Limited Liability Act." Then a Hawick co-operator proposed an importing agency; and a wholesale society was further advocated by correspondents in Manchester, Hull, Leeds, and Oxford. From the town of Hyde came the sound advice to develop wholesale dealing before attempting to manufacture. Among these many suggestions of the idea, the most striking anticipation of the actual C.W.S. is to be found over the name of William E. Bond, secretary of the Reading Industrial Co-operative, who wrote under the date of January 23rd, 1861:—

But the grand, the glorious object I want to see achieved is that which you have already advocated in No. 5 of the *Co-operator*: the establishment of wholesale stores to supply the various societies with the best goods at the lowest prices. Why not do it in this way? Let a wholesale co-operative society be organised by all the stores at present in existence; and let the shares be, say, £20 each; then each store could subscribe for one, two, or more shares towards the capital, up to as many shares as it may be thought fit to limit it. The society could be worked by a committee chosen at the annual conference from the various representatives of the stores, in the same way as for an ordinary store, and participating in the profits upon the same principle. By this means all the lesser stores would be enabled to obtain goods as pure and as cheap as those who have the largest capital.

As the hub of the co-operative universe, Rochdale felt from the first the pressure of this circle of new interest. At a general meeting of the Pioneers on March 7th, 1859, William Cooper read a paper suggesting a reopening of the Rochdale wholesale department, in

¹William Cockshaw. Mr. Cockshaw, in 1877, became the C.W.S. representative at Liverpool. Mr. Prentis, of the Huddersfield Industrial Society, states that "the 'general and wholesale depot' referred to in the *Co-operator* of January, 1861, was a joint-stock company for the supply of groceries, &c. They also had a small corn mill, but our society was not connected with it."

A Memorable Tea Party.

conjunction with other societies. He pointed out that by uniting with other stores the Rochdale Society had already been enabled to carry on a corn mill, in full working order; and he reminded the meeting that the Pioneers' dividend for the last quarter "would have been 3d. in the £ less if we had had no mill." The Rochdale co-operators did not approve Cooper's suggestion; nevertheless, old members like Howarth, Smithies, Greenwood, and others could not remain inactive. Everywhere societies were multiplying, and the time for a new advance had come. And this was felt not only in Rochdale but round about, also, by men equally keen. William Marcroft, of Oldham ("Owd Billy Marcroft, a long-headed 'un"), Edward Ingham, of Oldham, John Hilton, of Middleton, and J. C. Edwards and James Dyson, of Manchester, are the names of a prominent few among several such co-operators.

In August, 1860 (that is to say, about six weeks before Mr. Pitman and the correspondents of the *Co-operator* began to suggest a conference for founding a wholesale agency), a number of these experienced founders of stores met at the co-operative farm, Jumbo, near Middleton. "On the third Sunday in August," said William Nuttall in describing the meeting to the first of the present co-operative congresses. "On Sunday, August 12th," says Mr. Albert Marcroft. And according to the *Oldham Chronicle* (Saturday, August 18th, 1862) a tea party was held on the farm on the 12th. But, to judge from the short report, the only serious topic of discussion was the formation of a profit-sharing cotton-spinning mill at Oldham. Under William Marcroft's leadership such a mill was being promoted, and its corner stone, as the Sun Mill, was laid early in May, 1861. However, in all probability, it was at this meeting, perhaps over tea, that "the necessity for a general depôt was again discussed" by "a few friends from Rochdale, Oldham, and Middleton." Mr. Noah Briggs, of Prestwich, recollects walking over to such a gathering, and still recalls the fragrance of its environment—of new-mown hay—the hay harvest being late in East Lancashire. Mr. Albert Marcroft, of Oldham, just remembers going there with his father. Mrs. Manock, of Rochdale, William Cooper's daughter, was also present, and her eyes still brighten at the remembrance of the girlish joy occasioned by this tea party at a farm. Also, in the *Oldham Chronicle* for June 26th, 1895, some reminiscences of the meeting at Lowbands Farm were furnished by an Oldham co-operator, Edward Ingham. He recollected the names of four Oldham co-operators present; and quoted William

The Story of the C.W.S.

Marcroft as declaring at Jumbo that "co-operators must not rest until they had their own ships bringing the produce of other lands direct from the producer to the consumer, thereby saving to themselves the profits of the middleman."

It is worth while lingering over this historic gathering, and piecing together those credible reminiscences which yield us a picture of its surroundings. Jumbo is still a local name for an area of Tonge between Middleton Junction and Middleton. Fifty years ago it was an isolated hamlet consisting of a few tiny farms and the cottages of handloom silk weavers. In 1851 a few cottage workers, manufacturers of velvet waistcoats, decided to get back to the land. Clubbing together, they rented six acres with a house at Jumbo; and this farm, previously known as "Walmsley's," now was nicknamed Lowbands, after a Feargus O'Connor land scheme estate in Worcestershire. The usual losses occurred, and to retrieve them George Booth was put in charge. A Jumbo Co-operative Society was also devised to buttress his efforts, and the loomhouse included in the building was converted into the new society's stores. Credit, however, together with a high rate of interest on borrowed money, sufficed to keep off all hopes of prosperity. At last, in 1861, the farm implements and other assets were sold, debts paid off, and the stock of the little store turned over to the Middleton Society for £13. 5s.

Six miles or so south from Rochdale, three or four miles west from Oldham, four or five miles north from Manchester, and a few miles east from Prestwich and Radcliffe, the Lowbands Farm of 1860 formed a convenient meeting place. Although poor and humble, it was not a bad terminus for what in those days were country walks. It has been described as "low-lying and uncheerful." Certainly it was to be looked down upon from the Pennine slopes around Oldham and Rochdale, and from the old, quaintly-steeped parish church on its hill at Middleton; nevertheless, it stood on ground rising from the little river Dane, three hundred feet above the sea, which is higher than any part of Manchester. Mr. Fielding, sometime caretaker of the Middleton Society's newsroom at Jumbo, retained, in 1912, vivid memories of his boyhood spent here about 1850. It was then a happy hunting ground for lads. There were gardens and fruit trees. Jumbo Clough, now filled in and partially built upon, wound beside the Lowbands Farm down to the stream, which ran clear for bathing. Three or four little stretches of woodland lay round about. Beyond the river was the Moss. On this

Making History at Jumbo.

open ground hares were hunted, and over the Moss the silk weavers would trudge, wallet on back, to the warehouses of Manchester. To-day the woods have gone, the fields are uncheerful enough, electric cars traverse a cottage-lined road, and large mills choke the valley toward Middleton. An old jargonelle pear tree made a glorious hillock of snowy blossom almost opposite the site of the Lowbands Farm in April, 1912, but it seemed to have put forth in noble defiance of circumstance. Probably the rural characteristics were beginning to disappear in 1860, for a railway through Jumbo had been recently built. Nevertheless, it was amidst such pleasant surroundings as these suggested that the conferences commenced from which arose the C.W.S. in the first place, the Insurance Society afterwards, and, finally, in conjunction with London co-operators, the Central Board, which developed into the Co-operative Union.

Tea was served in the barn, with the help of an unorganised women's guild consisting of the wives of the men present. The modest provisions would be supplied from the Jumbo store. Mr. Holyoake has told of "a solid and ponderous load of succulent joints" despatched overnight from Oldham, but there is reason to suspect that the originator of this tribute to Lancashire gastronomic power meant to impose upon the usually shrewd historian. Either on his own responsibility or as manager of the farm, George Booth was the host, and to him belongs the honour of having introduced the subject of a Wholesale Society. According to Mr. Nuttall's statement to the Congress of 1869, William Cooper, of Rochdale, supported the idea, while William Marcroft urged the impossibility of a federation of stores until societies could obtain power as corporate bodies to invest capital in other societies. To this Cooper is said to have replied that no Act of Parliament could stop them if only they did what was "reet." A majority, however, agreed with Marcroft, and eventually, with this preliminary of greater legal powers in view, those present decided to meet again at Oldham.

The attitude of William Cooper, if correctly reported, is a little mystifying. He was the writer of a short history of the Rochdale District Corn Mill; and the corn mill, as a federal institution, was a continual witness to the need of new legislation. It was at Cooper's request that Abraham Greenwood, the first chairman of the mill, wrote to an M.P., a few months after the Jumbo meeting, putting the difficulties of the mill very succinctly. The Pioneers' Society had a very large surplus capital, but it could not invest this in a federal society except through individual "representatives." Each

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“representative” would hold in trust for his society perhaps £50 worth of shares. By retaining the documents the society could prevent any “representative” from privately withdrawing the holding, but it had no legal power to compel a surrender of the claim. And in addition to this obstacle there were other legal disabilities. While the operations of the collective bodies thus were confined, the liabilities of their individual members were unlimited. And whereas the C.W.S. to-day owns eight hundred acres of land at Wisbech alone, no society then might extend beyond one acre. These were limits upon a nascent collectivism imposed chiefly because legislators considered it foolish to trust working men very far; but even these did not exhaust the list of handicaps. Through one of those accidents by which the law sometimes proves itself to be an ass, it had recently become impossible for societies to provide by rule for educational grants. All these barriers called for something like a mild revolution.

So the second meeting of the Jumbo friends was duly held at Oldham, and organisation was begun by William Cooper being appointed secretary, with power to convene a conference at Rochdale. This third gathering was held on October 7th, 1860, when Messrs. Henry Hewkin (not Hawkin) and William Marcroft, of Oldham, William Cooper and Abraham Greenwood, of Rochdale, James Dyson and Edward Hooson (not Hodson), of Manchester, Charles Howarth, of Heywood (the “constitution-maker” of the Pioneers), and John (not James) Hilton, of Middleton, were elected as a committee to act further. With these names there should be included those of James Smithies, Samuel Stott, and Thomas Cheetham, of Rochdale, and J. C. Edwards, of Manchester, all of which appear in the minutes of the committee’s subsequent proceedings. Meeting again at Jumbo, and afterwards at Middleton, the committee drew up their charter, which contained five points. The one-acre impediment was to go; the acquiring of property was to be unrestricted; power was to be given for investing in other societies or companies; limited liability should be possible under the Industrial and Provident Acts; and educational grants by rule should be legalised. The committee reported to a conference held at “the Temperance Hall,” Hewitt Street, Knott Mill, Manchester, on Christmas Day, 1860. Fifty or sixty delegates attended. It was a heroic way of spending Christmas. The conference was called for “two o’clock and six o’clock p.m.” on a day when trains ran as on Sundays, and at a period when the third-class railway journey

The Work and the Workers.

from Manchester to Halifax occupied at least three or four hours. Possibly, for the benefit of delegates from a distance, the second resolution of the meeting was that "the discussion be kept open to half-past six before taking tea." The late Mr. Thomas Hayes has added that the "Hall" was an adapted railway arch,¹ that its stove smoked, and the tea, when the delegates got it, was cold. However, the proceedings were harmonious, and no doubt everyone felt that on earth peace among men was not a long way off. The committee's points were adopted, and societies were requested to pay one farthing per member toward carrying the objects of the conference into effect. William Cooper, Abraham Greenwood, and Samuel Stott were appointed as a sub-committee to correspond with E. V. Neale regarding the proposed legislation. This was for the future. For immediate purposes two resolutions were passed, which had effect in the following notice, printed first in the *Manchester and Salford Society's Almanac*, and afterwards in the *Co-operator*:—

As a step towards the formation of a CENTRAL WHOLESALE DEPÔT it was resolved that buyers for co-operative societies attending the Manchester market should meet at Mr. Crossley's Temperance Hotel, 9, Green Street, Tib Street, near Smithfield Market; and that the butchers should meet at the Salford Branch of the Manchester and Salford Equitable Co-operative Society. Every arrangement will be made to promote the comfort and facilitate the business of those attending.

Thus, with the close of 1860, we see the idea of a general federation of co-operative societies for wholesale business purposes brought down from the air and embodied in a definite organisation and in a movement. It is a convenient point at which to notice the slow and patient builders themselves. In the booklet that narrated the struggles of the Rochdale Corn Mill, William Cooper gave this vivid and typical picture of some of their circumstances:—

We have said the husband would be from home while attending meetings, and maybe the wife had put the children to bed, and would be waiting with no one to speak a word to her until the husband came home from the meeting. All would be silent except the constant tick of the clock, the rain battering against the windows, and the wind whistling and howling as if it had risen in revolt against the restraints imposed upon it by nature. To the wife, alone, minutes seem as long as hours; she thinks she is neglected, her husband attending meetings or anything else rather than home. At another time little Elizabeth has been sickly some days, and father has been at work all day; and now, when his work is done, has gone to the meeting. The mother cannot

¹The arch may still be seen, as shown in our reproduction of a recent photograph. For a verification of the exact recess the writer is indebted to Mr. C. Davies, of Seedley, and Mr. Caminada, of Greenheys, Manchester. Both gentlemen attended courts of the R.A.O.F. at this meeting-place.

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get the child to rest, she thinks it is getting worse. When the husband comes home she tells him how sickly the child is, and that he ought not to have gone to the meeting—indeed, if he had any thought for the child he could not go. He tells her he has come home as soon as the meeting was over, but he cannot persuade her that he ought to have gone at all. He believes the child will be better in a few days, and promises to help her to nurse and take care of it till it is so. These, or many similar incidents, will have occurred to most persons engaged in promoting social or other reforms. But it must not be said that the women are opposed to co-operation. No; they are, and ever have been, as much interested and as zealous of its success as the men. There are many instances where the husband was lukewarm, and the wife could not prevail on him to join the co-operative societies, but she was not to be baffled, so she enters the co-operative societies herself.

Marcroft's *Ups and Downs: Life in Machine-making Works* and other writings of his possess a similar atmosphere, which again is found in Holyoake's *History of the Pioneers*, and, indeed, in many pictures of contemporary working-class life in Rochdale, Oldham, or Manchester. With all their differing individualities, there was a remarkable bond of common character between all these founders of the C.W.S. Independence with them was a passion. If they wanted money it was not for lucre's sake, but that they might enjoy freedom. They were serious readers. They sought for culture, so far as they felt their deficiencies. But their minds were strong rather than fine or subtle. Common sense was their intellectual test. They were social by instinct; to combine with their fellows, and obtain for others what each desired for himself was in their blood. They were children of a severe day, reared in a hard school; but behind them lay a long ancestry of racy vigour in their fathers, and of God-fearing, sensible, right-doing in their mothers. This mating in them of qualities derived from the soil and from Christian ethics was to be represented by the matter-of-fact yet idealistic structure they now meant to build.

CHAPTER IV.

THE FOUNDING OF THE SOCIETY.

Christmas Conferences at Rochdale and Oldham—The Special Conference in Ancoats—The Wholesale Society and Liverpool—Preparing for Business in Manchester—Years 1861-3.

“THE romance of the wholesale side of the movement,” says Miss Webb in *Industrial Co-operation*, “is not in its inception, but in its marvellous growth and expansion, and in the possibilities that yet lie before it. But for being illuminated with the co-operative spirit and enthusiasm of its founders, its origin might almost be counted a commonplace evolution of sound commercial practice.” This is all true, except that in the deepest sense there are no commonplace evolutions. Glance over any usual statement of the origin of the C.W.S. and it will seem very simple and matter-of-fact. The law is altered. Mr. Greenwood draws up a plan, the plan is put into operation, and so on. But study all this closely. See a wide movement gathering strength and putting responsibility upon a few leaders; consider the humble circumstances and limited knowledge of those few in proportion to their task; remember the previous failures and the new possibilities of a breakdown on a great scale; discover the incessant care and self-sacrificing industry by which the prosaic result was attained, and the dull story begins to live.

The conference next following that at Manchester was held at the Oldham Industrial Society's Stores on Good Friday, March 29th, 1861. The committee's original seven points of reform had now increased to twenty-seven or more. Mr. R. A. Slaney, the Liberal member for Shrewsbury, who had done such good work in 1852, was asked to take charge of the proposed measure, and a petition to Parliament was agreed upon. Late in June, 1861, the Bill was brought before the House of Commons by Mr. Slaney, with Cobden and a Mr. Ewart as backers. Cobden's great colleague, John Bright, also expressed willingness to assist. Further delays occurred, and, despite considerable efforts, finally it became necessary to

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abandon the measure for that session. The Lancashire committee reviewed the position, and for Christmas Day, 1861, called a conference at the Oldham Road branch of the Rochdale Pioneers' Society. During an afternoon and evening sitting the Bill was reconsidered in detail, and steps were taken towards better progress. A levy of a halfpenny per member was asked from societies, and it was decided to send two delegates in due course as a deputation to London. It was further resolved:—

That this meeting considers it advisable to attempt the establishment of a wholesale dépôt as soon as possible after the passing of the Bill.

Now opened the arduous year of 1862, already darkening in Lancashire with the shadow of the coming cotton famine. The business of their newly-established cotton factory, the Sun Mill, absorbed much of the attention of the Oldham men, and the work of cutting a road for the Wholesale Society fell mainly upon the Rochdale group. James Smithies and Thomas Cheetham, of Rochdale, were added to the committee, and Smithies, in place of Howarth, went with Greenwood to London. The deputation seems to have been necessary, not only to accelerate matters, but also to save the movement from such friends as usually can see what is wanted better than the persons most concerned. Illness had deprived co-operators of Mr. Slaney's services, and the Bill was eventually introduced by Mr. J. Southern Estcourt, Conservative member for North Wilts and an ex-Home Secretary. On moving the second reading (April 30th, 1862), Mr. Estcourt spoke of one hundred and fifty societies in existence "doing a business which in the course of last year amounted to the extraordinary and almost incredible sum of £1,512,117. The men responsible for the Bill," said Mr. Estcourt, "were not embarked in a pleasure-boat, but were pulling for their lives in a mere skiff, and deserved to be protected from the surging billows on every side." Representing the Liberal Government, the Solicitor-General offered no objection to the Bill, and, no one else apparently being interested sufficiently to speak, the second reading was forthwith carried. Under the charge of Mr. Estcourt's friend, Lord Portman, this second charter of co-operation fared similarly in the Lords, and, with some slight amendments, in due course it received the royal assent.

This year for the third time in succession the Lancashire committee gave up their Christmas Day. But they had more reason now for doing it cheerfully. There was a note of triumph in the

William Cooper and E. V. Neale.

report they tendered to the conference that met on Christmas morning in the newsroom of the King Street Store in Oldham:—

Your committee wish to note that there has been no real opposition to the Bill, another proof that when the working classes are earnestly bent on measures for improving their condition the higher classes, as they are called, do not oppose them, but give them a cheerful helping hand.

With a co-operative eye for statistics, the committee also stated that “one thousand six hundred postal communications, including letters, petition forms, circulars, money acknowledgments, &c., have been sent during the two years’ effort.” The correspondence committee consisted of Abraham Greenwood (who had quickly become the regular chairman of all meetings), William Cooper, and Samuel Stott, but the bulk of the work fell upon Cooper. Besides having a small manufacturing stationer’s business of his own, he was then employed as cashier for the Pioneers’ Society, a position he had held since its commencement. He conducted the Pioneers’ office business, spoke at other societies’ gatherings, filled the part of a co-operative union in answering innumerable letters of inquiry, and literally worked night and day. His efforts were not bounded by the co-operative movement. An Owenite in his early days, and a back-to-the-land advocate under O’Connor’s influence, he remained a staunch radical and secularist. In pursuance of social and political reforms, he communicated with all sorts and conditions of men—the mere deciphering of the handwriting of some among his distinguished correspondents must have been a labour! The papers still surviving from those he left afford a revelation of the width and variety of a Rochdale working man’s interests during the third quarter of the nineteenth century. Cooper died in harness in 1868. Holyoake spoke at his funeral. “I have been accustomed to regard him,” said the historian of the Pioneers, “as the drudge of co-operation.”

Equally responsible with the Lancashire committee for the good work done were the friends in London, of whom the foremost was E. V. Neale. He it was who drafted the Bill, who drew up the petitions, who lobbied Lords and Commons, who personally conducted the correspondence from London. Had he charged a minimum of 6s. 8d. every time he put pen to paper in their interests the cost of the legislation vastly would have exceeded the £44. 19s. 7d. (less £19 balance in hand) which was the total expense. It is pleasant to think of these two men, Cooper, the Rochdale worker, secularist, and ex-chartist, and Neale, the London barrister

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and churchman, working together so steadily, each practically as personally disinterested as the other. In another matter also they both possessed one spirit. Notwithstanding the privations occasioned by the American Civil War, Cooper stood out uncompromisingly for the abolition of American slavery. And Neale, compelled at this time to make some absurdly modest charge, asks that five out of a sum of seven guineas be deducted from his account in favour of the Cotton Famine Relief Fund.

The morning of its Christmas Day was spent seasonably by the Oldham conference, mainly in moving very cordial votes of thanks to John Bright (who had enlisted Mr. Estcourt's services), to Mr. Estcourt himself, to Lord Portman, to Neale, and to Henry Pitman (editor of the *Co-operator*), and in expressing sympathy with the relatives of Mr. Slaney. In acknowledging the vote, subsequently, Mr. Estcourt spoke of the help he had received from the Government, including the then President of the Board of Trade, Mr. Milner Gibson. E. V. Neale, in his reply, prophesied that "an incalculable amount of good of every sort will arise," but urged patience and perseverance. "The great thing to impress upon the minds of the workers," he continued, "is the importance of seeking to raise *the position of their class* instead of limiting their efforts to raising their own position as individuals."

The best of the afternoon was given to the now possible C.W.S. Abraham Greenwood, who was in the chair, read the carefully-prepared paper which, at a preliminary committee meeting held in Middleton on the 21st, he had been desired to bring before the delegates. This interesting paper, reprinted from the original draft, appears elsewhere in this volume as an appendix. Mr. Greenwood pointed out that whereas only ten stores existed in the days of the London agency and seventeen when the Rochdale wholesale department was tried, there were now one hundred and twenty in Lancashire, Yorkshire, and Cheshire alone. After quoting figures of trade as showing possibilities, he put forward a plan—not, indeed, for the C.W.S. as we now know it, but for a modest and unambitious agency, which would unite the purchasing power of societies while employing little capital, and would demand a minimum of warehouse space. The plan included six propositions. In brief, they were for (1) an agency in Manchester or Liverpool, doing business for ready money only; (2) no profits, but a small commission on the business done for each society to cover agency expenses, and nothing more; (3) business to be done only with co-operative establishments;

The Special Conference in Ancoats.

(4) compulsory dealing with the agency by affiliating stores; (5) capital to be raised in proportion to societies' membership; (6) each society to pay its own carriage charges. The important third proposition stands to-day as a main principle of C.W.S. business, but it was immediately seen that one or two of the other proposals called for alteration. William Marcroft, albeit an advocate of maximum dividends, declared that the agency would not succeed without paying dividend, and that it was impolitic to compel stores to trade with the central depôt. In this attitude he was supported by other delegates. After hearing all opinions, however, the meeting contented itself with carrying a resolution in favour of a "wholesale depôt or central agency," and appointing the existing committee to draw up the rules. Incidentally the committee were to "look after" certain amendments of the new Act which, after the manner of its kind, had come from Parliament not absolutely perfect. For example, the £200 limit of investment, imposed on individual co-operators in 1852, was now placed upon societies, so that the very law which gave a wholesale society power to live was also designed to prevent it attaining any gigantic stature. And other disabilities remained.

On the next Good Friday (April 3rd, 1863) the meeting described in the first C.W.S. prospectus as "a special conference" was held in "the Public Hall, Kirby Street, Canal Street, Ancoats, Manchester." "Canal Street" is now Cannel Street, from which Kirby Street proceeds to the Ancoats Hospital. It is now, as it probably was then, only a shade less depressing than Hewitt Street, besides which, under a closed-in arch of the Altrincham Railway, the founders of the C.W.S. had spent most of the Christmas Day of 1860. Half-way up Kirby Street stands a two-storey Georgian structure bearing the words "No. 1 Lock-up, 1828." Concealed behind this primitive and superannuated police station the old brick building may be found which was once a Public Hall. Here, on this Good Friday afternoon, 1863, the series of meetings which began at Jumbo reached its climax. Young and vigorous movements reckon nothing of the circumstances of their infancy; and, quite undiscouraged by its environment, the meeting in the morning had put aside some question of forming emigration societies. The delegates, under the chairmanship of Thomas Cheetham, of Rochdale, went forward, finally to resolve that a C.W.S. was not merely desirable, but that it "be established, the name to be the North of England Co-operative Wholesale Agency and Depôt Society Limited."

The Story of the C.W.S.

"A more delightful meeting of co-operators I never attended," wrote a correspondent of the *Co-operator* in the issue of that journal for May, 1863. "Delegates were present," he continued, "from places as distant as London and Dublin, though the greater part were from Lancashire, Yorkshire, and Cheshire. The sitting began in good time, with an interval for dinner. Opinions were freely expressed, but the utmost order and good feeling prevailed. The general opinion was in favour of the combination of an efficient central wholesale agency with a small depôt."

Another and more lively account was contributed from "The Strangers' Gallery" by J. H. Salkeld. He wrote of "two hundred delegates" and of a "Babel of discordancy" when the Central Wholesale Agency became the subject of discussion. "Would not the small stores receive all the benefit?" was the cry. Mr. Salkeld thus continued his free report—

Speaking is necessary, especially at a conference; and it matters little what the topic is so that a speech is made upon it. We need not wonder, then, that to the motion proposed by Mr. A. Greenwood—"That a Central Wholesale Agency Society (after the plan laid down by him) be formed," a score or two speakers found their legs; that many thought a depôt alone was preferable. An amendment was made to that effect, not very logically, certainly, seeing that none denied a depôt would take a large capital to work it, and all admitted that a small capital would be hard to raise. Then it was found that taste was governed by locality; and while one sort of butter would suit Halifax, another description would be required for Huddersfield. Besides, the buyer for an agency might be bribed, but the buyer for a depôt would be above it. The former also would have too much responsibility devolving upon him, and might decamp with a good deal of money. Thus these two ideas were devoured till the delegates grew hungry, and, neither of them appearing to grow more palatable or digestible, Mr. Edwards was called upon to state the arrangements for dinner. This was done, and, oh! ye delegates who run up expenses, listen to them: A tea dinner at 6d. a head, with plates of ham extra at 3d. each, and an hour to devour it in. This was economical, and good into the bargain; and, coupled with a stroll into the open air, while the tables were being cleared, wrought wonders in bridging over difficulties, and making delegates co-operative in feeling as well as in name. Burnley and Manchester then put in their voices for a compromise, and suggested that "depot" should be added to the title of the intended new society. Mr. Greenwood held out his hand, the bargain was struck, and, the amendment being withdrawn, "The Co-operative Wholesale Agency and Depôt Society" was launched into being by the unanimous votes of the assembled delegates.

The Manchester meeting determined that the new organisation should be purely a federation of stores registered under the Industrial and Provident Societies Act, with none but co-operative societies as shareholders. A little later the committee, meeting at Heywood,

The C.W.S. is Established.

agreed to "take the suggestions of E. V. Neale, Esq. . . . with respect to providing for admitting members and societies." Accordingly twelve "original members" were enrolled, whose names are worth preserving. They are: Charles Howarth, James Smithies, J. C. Edwards, John Hilton, William Marcroft, James Dyson, Henry Hewkin, Thomas Cheetham, William Cooper, Abraham Greenwood, Samuel Stott, Edward Hooson. As each of these desperate company promoters took up only one five-shilling share, it cannot be charged against them that they exploited the movement. Also, the co-operative society at 15, Camden Street, Liverpool, was appealed to for the temporary use of their office for what we now first hear of as the "North of England Co-operative Wholesale Industrial and Provident Society Limited." But these were deviations from a direct path. No further original members were admitted "except those nominated by co-operative societies . . . by a resolution of some general meeting." And when the amending Act of 1867 annulled the limitation of investment by societies, and with it the necessity of "representatives," this class of member disappeared, an alteration of rules being entered in April, 1868, which restricted membership to registered societies and similar corporate bodies. Little more is heard also of Liverpool. The first rules fix the registered office there, "but the office may be altered by the Committee of Management." A Whitsuntide Conference (1863), agreed upon for Liverpool, apparently was not held. Two unreported "meetings of the members" for the acceptance of rules took place on June 8th and July 25th respectively; and from the reference in the certificate of registration issued by Mr. Tidd Pratt on August 11th, 1863, one may suppose that the delegates preferred to transact this sometimes tedious business in the rather more summerlike atmosphere of the seaport.

However this may have been, certainly the first meeting of the legally-constituted society was held in Manchester, in the relative eminence of Union Chambers, Dickenson Street, on Saturday, October 10th, 1863. The first "general" meeting was also held in Manchester on November 21st, 1863, and Manchester became the almost unquestioned place of meeting thereafter.

The close of 1863 thus witnessed the Wholesale Society in being. Actual business had not yet commenced, but arrangements to that end were being perfected. The federation now had its own officers and Committee distinct from the original promoters, although inclusive of several among them. Abraham Greenwood was the

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president, James Smithies the treasurer, J. C. Edwards the secretary, David Baxter (Manchester) and John Hankinson (Preston) the auditors, and Charles Howarth, Thomas Cheetham, John Hilton, and J. Nield (Mossley) completed the Committee. Mr. Nield was chosen at the second meeting, and took the place of William Marcroft. Forty-eight societies had joined, and with the co-operative trade aggregating two and a half millions the Committee looked forward hopefully. At the start they meant to deal in sugar, fruits, spices, rice, sago, soap, candles, treacle, tea, and coffee. Flour, it must be remembered, was already being milled for societies by Rochdale and other co-operators. Profits were to be "applied by direction of the half-yearly meetings either to increase the capital or business of the Society, or to any other purpose authorised by law;" while "the remainder" (at first sight a rather mysterious term) "shall be divided among the members of the Society in proportion to the amount of their purchase at the agency during the half year." It was Howarth's idea that "there must be a limited dépôt, as well as an agency, for the convenience of small stores." The financing of all this effort was within those economical limits that we associate with pioneers. In the first balance sheet "preliminary expenses" amounted to no more than £16. 9s. 6d. As for services rendered, if an official ever received, as Cooper did in 1867, £8 for four years' work, it was a great haul.

With the C.W.S. in existence we lose something of the unity which the one fraternal group of workers had shared since the first association at Lowbands Farm. Thenceforth there existed the North of England Society and the Conference Committee. The latter continued its labours until the amending Bill of 1867 became an Act, and until the Co-operative Insurance Society was established in the same year; and finally it did not die, but was translated by its absorption into a new organisation, ultimately the present Co-operative Union. In those days the co-operators saw no better way than to create a separate society for every function. To-day, however, a different tendency is at work, and unity, not separation, is the watchword.



RAILWAY ARCH (BEHIND FIRST PILLAR) THAT CONSTITUTED THE TEMPERANCE HALL AND PLACE OF CHRISTMAS DAY CONFERENCE, 1860 (see page 22).



WORKSHOP (GABLE END ON) OFF KIRBY STREET, ANCOATS, MANCHESTER, WHICH WAS THE PUBLIC HALL AND PLACE OF GOOD FRIDAY CONFERENCE, APRIL 3RD, 1863 (see page 29).



NO. 3, COOPER STREET, MANCHESTER (MAN STANDING
IN DOORWAY), WHERE THE C.W.S. BEGAN BUSINESS.



NO. 53, DANTZIC STREET, MANCHESTER (BUILDING
ON RIGHT), THE THIRD HOME OF THE SOCIETY.

CHAPTER V.

FIRST YEARS OF BUSINESS.

In Cooper Street—Transition from Agency to Wholesale House—The Scottish Wholesale Society—Difficulties that the Wholesale Society Removed—Years 1864–8.

WHEN the year 1864 opened the Wholesale was more than a disembodied spirit; yet it had not attained to active commercial being. The Committee—as recorded in the minutes—were meeting continually at Rochdale or Manchester, and deciding on many important things, from the engaging of a buyer and the renting of an office (at 3, Cooper Street, Manchester) to taking out a licence for selling tea and coffee in the name of their president, and resolving upon the purchase of an office clock. Between these meetings came a very unostentatious opening for business, on March, 14th 1864. The *Co-operator* for the following May contained a brief advertisement of the readiness for trade. Financial arrangements were simple. “To obviate the necessity of a large paid-up capital, all orders must be accompanied with cash approximating to the value of the order given.” Or the money could be paid into a branch of the bank. Balances on one side were to be immediately remitted, and would be credited on the other. “Goods will be supplied at cost price, with the addition of a small commission.” One penny in the £ on all business was the sum decided upon by the Committee.

The much-discussed and oft-desired wholesale co-operative society had come into being. Yet, as in so many human achievements, the first fruits of success were disappointing. Two or three years of anxiety now lay ahead. Difficulties arose from outside the new organisation and within. To begin with, it could not be said that co-operators, beyond the forward few, hailed their creation enthusiastically. They were no worshippers of what their own hands had made. William Marcroft already had been compelled to resign his seat on the Committee because the society in which he was No. 1 had not joined the federation. The first report and balance

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sheet showed no more than fifty-four societies in membership; and, all told, these represented less than 18,000 individuals. Only thirty-two of the societies sent delegates to the half-yearly meeting, held in the Temperance Hall, Grosvenor Street, Chorlton-on-Medlock, Manchester, on Whit Saturday, May 21st, 1864. Concerning the society members, the report stated that their aggregate weekly business amounted to £9,500. "At least £5,000 of this sum is expended in the purchase of commodities in which we deal, and yet we have only been favoured with a business of £5,900 in seven weeks." Was it due to the societies' members whose delegates had created the institution, and whose capital was embarked in it? Was it the fault of the Wholesale Committee? To both questions the report said no. "Where the chief obstacle lies is plain. . . . Many societies have already testified to the advantages they have derived from our operations. Still greater benefits are in store if we are only true to ourselves, and are determined that the general interests of co-operation shall not be sacrificed to the prejudice or antagonism of individuals."

In many instances the hindrance lay in the power behind the throne. "In those days," says an old co-operative committee-man, "the managers were the masters." Many managers and societies' buyers had hastily concluded that if the Wholesale prospered their occupation would be gone. This prejudice was discussed at the first half-yearly meeting (the *Co-operator*, July, 1864), and freely combated, it being pointed out that the managers could profitably employ upon their departments any time saved to them. But there were other reasons. The buyers liked to bargain, said Lloyd Jones, reviewing the period in 1887. "They liked to give orders and bestow patronage." Many of them had been trained by private traders, and their second nature was to try their luck in the open market. In some cases these feelings were shared by committees, whose consequent bondage to the flattery and deception exercised by a certain class of adept travellers was denounced by a correspondent of the *Co-operator*. Other instances showed enlightened committees doing their best to convert a faint-hearted membership. Such tasks were made no easier by stories put about to the effect that societies joining the Wholesale would be compelled to purchase whatever it chose to sell. Altogether for some years a strong anti-Wholesale feeling existed, culminating in 1869, when a party of supporters of "the open market" seceded from the Rochdale Pioneers' Society.

Hills of Difficulty.

Credit, or, rather, the non-payment of accounts due, was a minor difficulty. By July, 1864, it had become necessary for the secretary to wait upon a certain society, by instruction of the Committee, and "demand the payment of our account." At various times during the next few years defaulters were "written" or "visited," or even threatened with legal proceedings. Although it had been decided that societies should not be obliged to buy from the federation, it was still the rule that those who bought should pay.

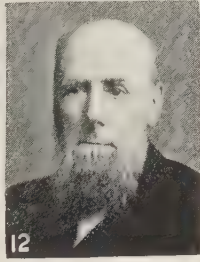
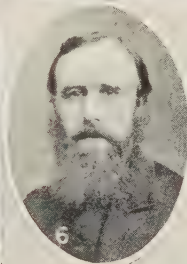
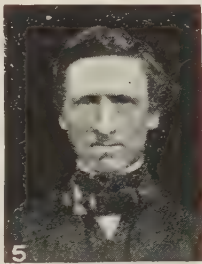
Internally there was the problem of securing the skill and zeal sufficient to build up so novel a business. "From the peculiarity of our trade," pleaded the Committee in their second report, "we have at present, difficulties to contend against which do not interfere with the operations of private traders." At the beginning the Committee had offered the position of buyer and manager to Samuel Ashworth, of the Rochdale Society. The Rochdale committee, however, promptly discovered an extra value in Ashworth and induced him to stay. He had been one—the youngest—of the famous twenty-eight. He had sold in Toad Lane the first packet supplied by the Pioneers' Society, which was the pound or so of sugar so indifferently wrapped that, for safety, the purchaser preferred to carry it in her apron. Since those amateurish days Samuel Ashworth had remained manager of the Rochdale stores; and little wonder if his committee almost identified the success of the society with the possession of its reticent, tactful, upright, business-like servant. So by means of public advertisement the Wholesale Committee engaged its buyers, trying first one and then another in the search for ability with trustworthiness combined. Besides having their separate and definite duties, the cashier, the buyer, and the very small staff were under regular supervision. The Committee—coming from other towns, and meeting usually on Saturday afternoons, fortnightly or monthly—naturally could not exercise a close oversight; but each month one of their number was appointed as visitor. Nevertheless, all was not judged to be well. As late as October, 1866, when nearly two hundred societies were in membership, and the turnover was approaching a quarter of a million yearly, the auditors filled five foolscap sheets with a severe, if not alarming, report on the conduct of the business. In July of that year, also, William Nuttall wrote to James Smithies proving that different prices had been charged to different societies for the same articles, the variation having amounted to as much as six shillings in the £. . . . Two years later the then senior buyer and the cashier resigned, to come out in

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the advertisement pages of the *Co-operator*, early in 1869, as "managers" of the "National Co-operative Wholesale Agency," which supplied goods on commission "to co-operative societies only." A month or two after the appearance of this advertisement the Committee of the Wholesale Society found it necessary to issue circulars warning societies that "a so-called 'National Co-operative Agency' opened in Manchester" was "not in any way connected with the North of England Wholesale Society." But this is five years ahead of our story.

The need of this new organisation was so great that nothing short of real disaster could have ended the North of England Co-operative Wholesale Society, well founded as it was. Neither did it remain as described in the appealing words of the Hyde Society's secretary, "like a gaunt spectre haunting certain rooms in Cooper Street and starving upon quarter rations." This establishment of two men and a boy became inadequate. The second half-yearly meeting (November, 1864) found a buyer, cashier, clerk, warehousemen, and youth engaged in larger premises at 28, Cannon Street, off Corporation Street, Manchester. At this meeting, to the regret of some of the pioneers, who believed it to be the only just method, the system of selling goods at cost price, plus commission, was discontinued. It served in a rising market, but with falling prices the Wholesale soon found itself with goods on hand. Moreover, to meet the convenience of societies, the federal house was more and more obliged to go beyond the scope of an agency by holding stocks, which, plainly, could not be charged at what had happened to be the market price three or four weeks earlier. Hence all sales, in future, were to be at market rates, with a periodical dividend on purchases. Evidently the usual trade practice already had taken effect, for at this November meeting a dividend on purchases was declared "of 12s. 6d. per cent," or, in other words, 1½d. in the £. And the next half year's work resulted in the dividend being doubled.

In the summer of 1865 the Society again removed to larger premises, at 53, Dantzic Street. Although still hampered for want of capital, the Committee reported a further increase in business and profits. An offer of Mr. Henry Pitman's had been accepted, and he had been appointed "honorary representative." In 1866 the Society began wider operations by appointing a butter buyer, and taking an office for him in Tipperary. About the same time, to the delight of the Quarterly Meeting at which it was announced, Mr. Samuel Ashworth was at last added to "our staff of buyers." In



"ORIGINAL" MEMBERS OF THE C.W.S.

- | | | |
|-----------------------|----------------------|--------------------|
| 1. Abraham Greenwood. | 2. William Cooper. | 3. James Smithies. |
| 4. William Marcroft. | 5. Charles Howarth. | 6. Edward Hooson. |
| 7. John Hilton. | 8. J. C. Edwards. | 9. James Dyson. |
| 10. Henry Hewkin. | 11. Thomas Cheetham. | 12. Samuel Stott. |

Feb 16th 1844 Committee Meeting
Hochstadt

Mr. Abraham Greenwood on the chair
Prisoners: Messrs. Southam & Webb.
St. John Christian & Edwards

Resolved That we commence business on
the 1st of March

Resolved That Mr Edwards be empowered
to procure the necessary office fixtures
and a safe

Resolved That Mr Simpson find
security to the amount of £1500. the
nature of the security to be stated
at our next meeting

Abraham Greenwood
Chairman

A Sister Society in Scotland.

truth, he became the second of two buyers, with the main conduct of the business probably already destined for his hands. This year, 1866, appears to have marked a turning point, beyond which the federation was no more to be dependent almost for its existence upon timely and substantial loans from the more prosperous and friendly retail societies. Shares were accumulating out of retained dividends, so that in 1867 certain additional offers of money could be declined "on account of having too much in the bank." New developments quickly resulted from this condition, and still more warehouse room became urgently needed. Land was purchased, therefore, in the adjacent byways, Balloon Street and Garden Street, and in the next year powers were obtained to spend up to £10,000 upon building a warehouse of the Society's own. But the progress was still cautious. Although solicited in 1867, the federation declined to establish a branch at Newcastle, and a negative answer was returned to a similar request from Scotland. These replies, however, were made in all friendliness, for when, in consequence, the Scottish societies started a movement for a Scottish federation, the North of England Society appointed its cashier to attend their conference (Glasgow, June 8th, 1867), and offered its Scottish members, in reply to an inquiry, "every facility for the immediate transfer of such shares, in the event of the formation of a Wholesale Co-operative Society in Scotland." The Scottish Co-operative Wholesale Society was founded in the following year, and the relations with the elder sister, and (during latter years) partner society, of England have always been entirely harmonious.

A period in this stage of development was marked by an alteration of rules, finally sanctioned on November 16th, 1867. "The North of England" was retained in the name, but the cumbersome words "Industrial and Provident" were dropped. Individual membership was absolutely abolished, as previously chronicled. Non-shareholding societies for the first time were allowed to receive half dividends upon their purchases unconditionally. A very important change was to create quarterly instead of half-yearly meetings with quarterly balance sheets and quarterly dividends, all in the interests of a closer relation between societies and their institution. Another new rule introduced depreciation upon such buildings as, it now appeared, the Society would evidently need to acquire. A curious alteration was to expunge the sentence in the "construing of rules," "words importing the male shall be taken to apply to the female." The Committee was enlarged from seven

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members to nine. With one exception, however, all the Committee-men still were drawn from South-West Lancashire. The exception was Mr. James Crabtree, of Heckmondwike, who was first elected toward the end of 1865, but who had expressed an unavailing desire for retirement "on account of the distance." It is notable that at this meeting, also, the Directors got into trouble for buying the Balloon Street land, presumably without the previous sanction of the delegates. While they were "exonerated from blame" (the ground has since increased hugely in market value) "the meeting objected to it being regarded as a precedent." Perhaps the Committee were solaced by the increase of their fees to 5s. per meeting, with promotion to second-class travelling on the railways.

Despite the pressure of these critical years of initiation the Committee did not limit their consideration to trade, capital, and profits. The Social Science Association, in the sixties, drew men of all ranks and degrees of distinction to its annual congresses; and Lord Brougham, as president, had repeatedly proclaimed the merits of co-operation. At York, in 1864, his inaugural address reviewed in detail the establishment of the wholesale store—"a most important step" (he said), "which in its consequences promotes co-operation in a degree almost incalculable." In 1866 the Wholesale Committee reciprocated the interest by granting £2. 2s. to the funds of that year's congress and electing delegates to attend. On Monday, September 24th, 1866, the day of a great Lancashire demonstration in favour of political reform and the extension of the franchise, the Wholesale premises were closed at noon, by order of the Committee. At a meeting supplementary to the half-yearly in November of the same year, and held on the initiative of the Directors, they were constituted a provisional committee to arrange for a co-operative conference, which was to devise means "for the extension and consolidation of the co-operative movement." Apart from commercial help the Wholesale had already done a little toward this end by making a small grant in each case to two societies in distress. Two trade reforms were instituted at a later period when (May, 1868) the Quarterly Meeting resolved that "all societies be charged the same price for the same commodity on the same day," and the Committee agreed "provided such be in whole packages;" and when (April, 1869) net prices were quoted in all cases, and the system of discounts, which then existed and still exists in private trade, was entirely abolished. But, again, this is carrying us too far ahead.

The Society Proves its Value.

What was the proved value of the North of England Co-operative Wholesale Society at the close of 1867? In the years of trial it had won the adhesion as members of over two hundred and fifty societies, from Edinburgh to Plymouth, although the business with them amounted to no more than about £300,000 annually. Among the old and big societies, the Pioneers, contrary to the recommendations of its members, gave practically no trade support, Leeds contributed nothing, and Halifax was outside; but for some two years both the Oldham societies had been inside and doing business. It was the small societies, however, that the Wholesale most claimed to benefit, and testimony on their behalf was given to the writer in August, 1911, by the late Mr. Joseph Tyldesley, of Roe Green. He had the odd experience of "happening across" the North of England Society in Dantzic Street, about the beginning of 1867. Coming to work in Manchester daily, he was deputed to buy for the Roe Green co-operators, whose small but now prosperous store was then struggling for existence in that Lancashire mining village. Before his discovery, apparently, none of his fellow-committee-men knew of any such institution. Since their start in 1858 they had been "cheated and swindled." Sugar, in those days, they could obtain wholesale only in big five-hundredweight tierces, the true weights of which the society had no means of checking. "The canny traders sent them, not by rail, which would have meant putting the weight on the railway freight note, but by their own delivery, and the society had to accept the weights. The committee were occupied all their time in checking goods. We never knew the bottom price. We would buy 'best,' and the trader would send 'twixt and 'tween. We were always paying for first and getting seconds; and we poor beggars would not know whether to keep the stuff or send it back." With the C.W.S. they realised "an advantage from the first," in "absolute honesty of dealing." "In all our forty-four years of buying since, we've not had the trouble we had in one year then." Mr. James Ashworth, of Burnley, remembers the C.W.S. coming as "a great boon." "We could trust what was said, and were relieved of a lot of worry." Mr. Horrocks, of Stacksteads, was then a buyer who came round to the C.W.S. gradually, for, at the time under discussion, "societies didn't realise its existence." In buying from private sources he had not been cheated, but discounts had been kept back, and when a buyer lacked knowledge of things to his advantage nothing was said. Through the C.W.S. "we got to know more of the ins and outs and customs of trade." Mr. Hartley, of

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Bingley, was a branch manager in 1867 and a general manager in 1871. He also had been obliged to accept "4cwt. or 5cwt." tierces of sugar on trust, and "I have a great suspicion that we were victimised." In his case, that which threatened to become a long catalogue of troubles was cut short by transferring more and more trade to the C.W.S. soon after 1871. "We have had very little cause for complaint, and the best advice on any matter pertaining to the trade has been given us." Mr. Youngs, of Chelmsford, although his evidence relates more to the establishment of the C.W.S. branch in London, has spoken to the same point. "Between our start and the C.W.S. coming it was a very difficult time for us. The C.W.S. helped by showing us the right time to buy and what to buy." Previously, the society would have been helped to purchase, and lay in unsaleable stock, whenever it had money to spend. "As a small society we couldn't have got along at all without the C.W.S." If this were a book of testimonials instead of a history, many more particulars of the kind might be gathered from veteran buyers still living or societies' histories; but enough has been written to show the great hollow in the co-operative world which the Wholesale Society filled.



28, CANNON STREET, MANCHESTER:
THE C.W.S. PREMISES IN 1864.

CHAPTER VI.

ESTABLISHED AT BALLOON STREET.

Boycotting and the *Grocer*—In Balloon Street—Proving a “Failure”—
Years 1868-70.

IT is frequently said that the C.W.S. came into existence because of a general boycotting of co-operative societies by wholesale merchants. The foregoing pages prove this to be an over-statement. The founders of co-operative stores did not wait to learn from hostile action the wisdom of further combination. Indeed, in the North-East of England, where Cowen's friendship was usually sufficient to secure the respect of a sufficient number of wholesale dealers, boycotting of this kind seems to have been rare; while co-operative custom in Lancashire and Yorkshire was too well worth having. At the same time, some boycotting by merchants undoubtedly occurred in various places during the early sixties. The Leicester Society, for example, has recorded that in 1868 it found the doors of local merchants closed, and, therefore, sent a deputation to Manchester, which, however, bought privately, contenting itself with “a peep in” at the strange new co-operative wholesale society. “When the committee sent up a buyer to London to make large purchases of tea and groceries,” said Mr. Owen Balmforth, of the Huddersfield Industrial Society, in the Huddersfield Congress Handbook, “some wholesale dealers refused to do business with a ‘co-op.,’ and even when they were promised ready money they were still reluctant to have any dealings with such a strange and revolutionary institution.”

The Cramlington history, also, in an interesting passage, has given the experience of that society in detail. About 1864 it obtained quotations for flour, but could not get the article, except from a Newcastle merchant on condition that his identity was kept secret, and “this was but a typical instance of what happened in the purchase of other goods.” In the case of this society, however, “active hostility” soon “was replaced by evils of a more subtle character.” High prices, indifferent quality, and short weight drove the Cramlington co-operators in October, 1864, to purchase

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from the Northampton Industrial and Provident Society, although the benefits were "not in any way comparable with those now conferred by the C.W.S."

In another instance, the Chelmsford Society, comfortably settling down to a steady trade in some particular butter, cheese, or flour very much to its members' liking, used to find itself disturbed by the apologetic merchant—very sorry, but his other customers objected, and he must, therefore, refer co-operators to his nearest retail agent. Or in London, again, a Lancashire stores manager would find it prudent to buy from a wholesale house or manufacturer in his own name, rather than as an official of a co-operative organisation. On the other hand, as we have seen in certain cases, a boycott by its artful wholesale house would have been something of a blessing to a society, for example, where members might be complaining of the quality of the flour, with the struggling society hardly daring to change its source of supply because of indebtedness to a particular miller. And, certainly, prior to 1867 no organised or general attempt was made to cut off supplies.

Beyond accepting advertisements of London ventures floated under the flag of co-operation, the then newly-established *Grocer* showed no interest in the co-operative system until the merits of the collective methods were proclaimed at the Social Science Congress of 1863. In these days of its youth, this now sober journal seems to have taken pride in what it supposed to be masculine vigour. The Congress was a "petticoat meeting;" and "the idea that each particular community should establish its own mill, its own grocery store, its own clothing store, and so on to exhaustion" was "so very ladylike." Hence it proceeded to use language which must remain rather shocking to its present sedate and, on the whole, fair-minded conductors. The "statesmen of highest fame and eminence" who praised co-operation evidently were acquiring "a mellow softness of character, which (it said) may be womanly or may be childish." When the *Daily Telegraph* advocated co-operation in 1864, its long leader was represented to be "ridiculous, fulsome, and eminently senseless." Yet in 1865 (March 4th) the *Grocer* explained that after all it attached little importance to the movement. Co-operation had thrice failed, and the august powers that protected private trading again would decree its end:—

Without any particular effort on our part, as representatives of the legitimate grocery trade, the new idea will eventually succumb to the influence of the natural laws that rule our commerce.

An Organised Boycott.

It was when the idea of co-operation, instead of delicately fading away, unexpectedly began to spread from the poor consumers of the North to more important customers in London, that the protector of the trade was thoroughly aroused. "These Post Office and Piccadilly puppies," it exclaimed (September 29th, 1866) of the promoters of the Civil Service Stores—"these two-and-sixpenny shareholders!" Some "maudlin lickspittle," of which the *Standard* was subsequently judged guilty, moved the *Grocer* (April 27th, 1867) to deal severely with "co-operative immorality." "The game with the fustian coated becomes less and less profitable. . . . The true British working man sticks to his pipe and pot." Hence the only remaining task was to destroy the new associations, abominable not because of dividend, but on account of charging wholesale prices to private customers. So the *Grocer* began to organise a boycott:—

If each of our readers who are aware of the connection of any firm with co-operation will send his name to this office it shall not be thrown away.

In the interval the editor thought it worth while to play off the Rochdale Pioneers against all other co-operators. Thus, while describing the Accrington body as "tea-meeting gabblers," in the same issue he said of the Pioneers:—

We cannot but share the universal admiration of the honest zeal and perseverance which has made the Toad Lane stores one of the most successful trading establishments in the country.

This on October 12th, 1867, but on April 11th of the next year:—

At our suggestion hundreds of the readers of this journal have ceased to patronise those firms who, after taking an order for goods, will tout for another at the store.

The organisation of the boycott proceeded slowly, but, once awakened, the *Grocer* meant to continue; hence the following, on February 19th, 1870:—

Since we called upon our readers to avoid dealing with wholesale firms who lent their support to co-operative stores attempts have been made to establish co-operative wholesale societies, and now some of the stores draw their supplies from this source. . . . Now in Manchester there are two so-called wholesale societies¹, one of which, in the true principle of "love and help one another," "deem it their duty" to inform their customers that the other so-termed agency has nothing to do with them, and that theirs is the only co-operative wholesale society in Manchester, or in the North of England, a fact which does not say much in favour of the progress of wholesale co-operation.

The upshot of it all was that in June, 1872, the *Grocer* at long last came out with a schedule of eighty-four London or Southern firms,

¹See page 36.

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from prominent biscuit and jam makers to wine merchants, and from manufacturers of blacking to providers of pork pies, all of whom declared themselves as refusing to do business with co-operation on any terms or in any form.

But, the C.W.S. trade then being over a million a year, this was belated action; while, with the concurrent growth of the distributive and productive businesses of societies and their federation, since that time the most hostile traders have changed their attitude.¹ For the most part they now confine themselves to agitating for what would be a special tax upon co-operators. Meanwhile it is pleasant to remember that co-operation has never been without aid from among the trading classes. More than one society can look back to a time when, struggling, isolated, and alone, it found in some merchant, manufacturer, or miller (frequently a member of the Quaker body) both an uninterrupted source of supply and a genuine friend.

From this ineffectual but entertaining opposition we turn again to the comparatively dull record of the North of England Society's progress. On the same afternoon (or evening) of the half-yearly meeting in November, 1867, described in the last chapter, and following the special meeting then held for altering the Society's rules, the Co-operative Insurance Society was founded, with the C.W.S. as a member; and, early in 1868, extra insurance to the amount of £1,000 on the Dantzic Street stock was covered with the new organisation. This brought the total value insured up to £3,300; while the reserve fund at the same time stood at £682. 0s. 2d.

Perhaps the possession of the extra twopence gave the Committee additional courage in going forward with the plans for the Balloon Street warehouse; possibly, also, it was economy in view of the new undertaking which caused the decree of April 4th, "that stock be taken next Saturday without payment of the Committee-man or refreshments to those engaged." However, while negotiations were also in progress for an additional butter-buying agency at Kilmallock, Ireland, the main business of the year 1868 was the erection, at a

¹Some retail grocers, about 1879, preferred imitation to abuse. They formed a London Grocers' Co-operative Wholesale Society, and registered it under the Industrial and Provident Societies Act. The third half-yearly report was issued early in 1881. The sales for the half year had reached £54,486, although the wholesale houses were reported as striving to crush the society. But the six hundred shareholding grocers had only raised a capital of £4,861, and for want of another £15,000 or so the society succumbed. In 1885 the Manchester and District Grocery Trade Defence Association also proposed a Manchester Grocers' Wholesale Society, which was "not to make profit, and so avoid income tax;" but it does not seem to have passed beyond the stage of adopting articles of association. See the *Co-operative News*, May 28th, 1881, and December 12th, 1885.



ABRAHAM GREENWOOD,
First Chairman of the C.W.S.



EARLY MEMBERS OF THE C.W.S. COMMITTEE.

1. David Baxter. 2. J. M. Percival.
 3. James Crabtree (Second Chairman of the Society). 4. James Nield.
 5. Isaiah Lee. 6. William Nuttall. 7. Thomas Pearson. 8. R. Cooper.

The Society Still Goes Forward.

contracted cost of £4,040, of the six-storey building that still occupies the corner of Balloon Street and Garden Street. A special building committee was formed and the work pushed forward. Difficulties with an owner of neighbouring property led to legal action on the part of the latter. Their light and air "were being encroached upon by the vastness of the new building." But, rather than waste time and money upon going into court, the Committee offered "reparation," which was accepted. Without further delay the work proceeded, and, early in 1869, the six-storey, sky-scraping new warehouse, perilously huge and ambitious as it seemed, was ready for business.

Balloon Street since then has become entirely a possession of the "Wholesale;" and, as the formal address of the Society's headquarters, the street is now known far and wide. It is worth remembering, therefore, that the name is not meaningless, nor does it preserve incongruously the memory of some private speculator. History is in it, even though of a mild character. Hereabouts, on May 12th, 1785, a certain James Sadler made one of the first balloon ascents witnessed in England. At that date—obviously—the area formed an open field. Very shortly afterwards the ground was covered with small houses; but the feat that astonished Manchester was properly commemorated in the name since associated with the rise of the C.W.S. When the federation came to make its home in the street, all the vicinity had become, or was rapidly becoming, a slum. Garden Street, now chiefly a siding for co-operative wagons, retained nothing pleasant but its name and a fading memory of the Royal Infirmary of Manchester originally having been housed in it. Clock Alley existed, since obliterated by the C.W.S.; while Corporation Street only recently had been driven from Withy Grove through a maze of byways. The way to a small and congested Victoria Station went down and up the banks of the Irk, the stream (which now needs searching for) being crossed by a wooden footbridge.

The Committee contemplated a ceremonial opening of the Society's first property, in the presence of a galaxy of statesmen, peers, professors, and philanthropists; but of the great men invited only such tried friends as J. M. Ludlow, Hugh Birley, M.P., the Rev. W. N. Molesworth (Vicar of Rochdale), G. J. Holyoake, Lloyd Jones, and others were present. The author of *Tom Brown's Schooldays*, however, wrote rejoicing in the success of the "Wholesale," and hoping great things in the future. Mr. Walter Morrison, whose recent gifts to the Oxford University have witnessed to a public

The Story of the C.W.S.

spirit unabated after fifty years, added that "the best co-operative eloquence is business success." And John Stuart Mill wrote of the Wholesale Society as "a most important link in the chain of co-operation," continuing, "there is no part of the co-operative movement to which I would more gladly give my sympathy." Professor Jevons and Commissioner Hill answered their invitations in the same strain. Moreover, four hundred guests from the highways and byways of co-operation were entertained at dinner in the new warehouse, the day being Saturday, May 15th, 1869, and the time five o'clock. The Manchester press either overlooked the gathering or gave it very short paragraphs, but the *Spectator*, as quoted subsequently in the *Co-operator*, devoted a column or so to a free eulogy of "federated co-operation in the North of England." Referring to two hundred societies represented (191 precisely) the writer of the report pertinently inquires:—

Where are the two hundred and odd individual grocers, tallow chandlers, and butter men who have established their own wholesale buying society and warehouse? Who expects them to do so? Who does not know that if they attempted such a thing they could never hold together three years—let alone five—even though puffed to the skies by the press. And who does not feel that if they did so their monopoly would be little likely to be one for the benefit of the public? . . . Yet . . . eighty thousand men have done that which the two hundred have failed to do, and every extension of their business is a benefit, not only to the eighty thousand and their families, but to every one who deals with them.

The *Spectator* correspondent noted with equal approval that "speaker after speaker, and none more earnestly than the chairman of the meeting and president of the Society, Mr. Abraham Greenwood," laid emphasis on the new warehouse marking the opening of a future rather than the attainment of an end.

While the C.W.S. thus was beginning the building of its metropolis other events occurred to show the increasing interest of co-operators in their federation. An agitation arose for "equal representative power" at C.W.S. meetings for each society "irrespective of the number of members." The point was hotly contested. On one side it was urged that small societies at a distance from Manchester were at a great disadvantage compared with the big adjacent members of the federation. Behind the argument lay that conviction which already had resulted in the recommendation, accepted by the Committee, that all societies be charged the same price for the same commodity on the same day. In regard to the latter rule, the statement made at Quarterly Meetings that the larger

Large Societies and Small.

societies' purchases were chiefly butter and sugar did not allay any feeling. These articles earned less than the 3d. in the £ which was then the average C.W.S. dividend. Hence it was concluded that big societies benefited at the small societies' expense. On the other hand, a vigorous and telling defence of the big societies was led by William Nuttall and William Cooper, and when it was proved that easily the best supporters of the Wholesale were neither the great nor the small societies, but the middle-sized, the *big versus* little issue failed to count. Returning to the question of representation, after a stormy special meeting, held at the close of the ordinary meeting on August 15th, 1868, the recommendations of a sub-committee, which had reported largely in favour of the suggested change, eventually were negatived by 110 votes to 92. It was not a large majority, but it has sufficed from that day to this to secure a representation based directly on societies' membership.

A similar fear of dominance at this same meeting led to an anticipation of the present movable district gatherings in the proposal "that the next meeting be held at Derby." The proposition secured no support beyond that of its mover and seconder, but it was decided that the November assembly should be at Rochdale. It was felt that this might counteract the anti-wholesale spirit then at work in the town, which hitherto had so honourably led the advance both of local and federal co-operation. But none anticipated that the gathering would also serve a different purpose. It met, however, to render the last honours to a Rochdale man—one who, with those of his fellow-townsmen on the C.W.S. Committee, no doubt had felt these chills of unexpected opposition. Early in the year Charles Howarth, of Heywood, the constitution-maker of the Pioneers' Society and one of the founders of the C.W.S., had ended his work, and now a second breach was made in the little band of twice-pioneers by the early loss of Howarth's intimate friend, William Cooper. Death continued busy during the period immediately following. James Smithies, another of the men of 1844, and subsequently secretary of the "Wholesale," was mourned at the Quarterly Meeting of August, 1869, and still another founder of the federation, Edward Hooson, of Manchester, was taken from the Committee by death at the close of the same year. Resolutions of obvious sincerity in the minutes of the Quarterly Meetings express the high regard in which these fathers of co-operation were held. Further, a grant of £20 was made to the widow of Charles Howarth, and an equal subscription given to a Cooper memorial fund. These

The Story of the C.W.S.

were not large sums in themselves, but, considering the circumstances of the time, much higher figures now would only stand as their equivalent. Together with these names one other may be included. At its first Quarterly Meeting of 1871 the Society had to record the further loss of "their highly-esteemed manager and buyer, the late Mr. Samuel Ashworth . . . whose name will be held in grateful remembrance by all who have known him." When Mr. Ashworth joined the C.W.S. as buyer in 1866 the annual sales were struggling painfully up to £175,489. The total for 1870 was only £677,734, but almost every step towards this tripled and nearly quadrupled figure meant slow travelling up a gradient heavier than at any time since. It was a melancholy coincidence that these two first employees of the modern co-operative movement, Cooper and Ashworth, both died practically in the midst of their work at the same age of 46.

The remaining events of moment, up to the commencement of the Newcastle Branch, may be summarised briefly. When the co-operative movement, which the C.W.S. Committee had aided, resulted in the first Co-operative Congress (1869) the North of England Society stood forth as the chief guarantor (£10), and was represented both at the Congress and Congress Exhibition. Similar help was given at the next and subsequent Congresses, £50 being given to the funds of the "Provincial Section of the Congress Board" in 1871. Early in this latter year £50 also was granted to the Midgley Co-operative Society, then in distress. Turning to internal affairs, the much-discussed question of dividend or no dividend on sugar was finally decided in favour of dividend. Early in 1870 the steady growth of the large C.W.S. trade in the salt Irish butter, which at that time had not been ousted by the mild produce of Denmark, led to the establishment of a further depôt and new headquarters at Limerick. About this time also the question of cattle buying was taken up, but dropped. By a resolution of the Quarterly Meeting of May, 1870, it was demanded that all goods purchased from the Society should be paid for in seven days or under, but if not in fourteen days, then no more goods were to be delivered before the payment of the overdue account. In August, 1870, Mr. Abraham Greenwood, who had occupied the chair continuously since the founding of the "Wholesale" as on the committee that did the preliminary work, resigned his office to become the cashier of the Society. Mr. James Crabtree, of Heckmondwike (who in 1913 still is an occasional

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FIRST REPORT

OF THE

NORTH OF ENGLAND

Co-Operative Wholesale Industrial and Provident Society, LIMITED.

President:

MR ABRAHAM GREENWOOD, ROCHDALE.

Treasurer:

MR. COUNCILLOR SMITHIES, ROCHDALE

Committee:

MR CHAS HOWARTH, HEYWOOD,
MR J HILTON, MIDDLETON,

MR. J NIELD, MOSSLEY,
MR THOMAS CHEETHAM, ROCHDALE.

Cashier:—MR. JNO. C. EDWARDS.

Manager:—MR. JNO SIMPSON.

Bankers:—THE MANCHESTER AND LIVERPOOL DISTRICT BANK.

OFFICES.—3, COOPER STREET, AND BACK MOSLEY STREET, MANCHESTER.

At the various Co-operative Conferences which have been held in Lancashire during the past four years, the question of wholesale buying was constantly pressed upon the attention of the assembly by numerous Delegates, until it was found necessary to convene a Conference specially for the discussion of the subject. At this Conference almost all the Societies in the North of England were represented, and the deliberations resulted in an unanimous decision to form this Society.

The object sought to be attained was to bring the producer and the consumer into more immediate contact, and thus enhance the profits of Co operation by diminishing the cost of distribution. This, we believe, can be done with the least possible risk, by aggregating the purchases of the whole, or part, of the Societies in the North of England, and buying the commodities required, with ready money, in quantities sufficiently large to command the best markets. By securing Societies against imposition, in the days of their infancy and inexperience, and enabling them to purchase on more advantageous terms than the largest Societies have hitherto done, we shall ensure the healthy extension and consolidation of our movement.

Seven weeks (the period that has elapsed since we commenced business), is not a very long time in which to test the soundness or probable future of our enterprise—it has, however, been sufficiently long to develop the dangers to be avoided, and the obstacles to be overcome. We are happy in being able to state that our chief difficulty is capable of an easy and immediate remedy, as it lies within ourselves. By referring to the accompanying Balance Sheet it will be seen that FIFTY SOCIETIES have joined our federation; these Societies represent a constituency of 17,545 members, and are doing an aggregate weekly business of £9,500. At least £5,000 of this sum is expended in the purchase of commodities in which we deal, and yet we have only been favoured with a business of £5,900 in seven weeks. How is this? Is it because the Members of the various Societies are opposed, or indifferent to our new enterprise? That cannot be, as it is the creation of their own Delegates, and they have also found the capital to enable it to operate. Is it the fault of the Committees? By no means, as they can have no interest in allowing their capital to be frittered away in making good the deficiency in our working expenses. Where the chief obstacle lies, therefore, is plain, and it is for the Members of Societies to say how long success shall be postponed. Many Societies have already testified to the advantage they have derived from our operations. Still greater benefits are in store, if we are only true to ourselves, and are determined that the general interests of Co-operation shall not be sacrificed to the prejudice, or antagonism of individuals.

Promptness in forwarding Second Halves of Bank Notes, is necessary, as delay in this respect curtails our capital, and cripples our action.

Bankers' Drafts, for the same reason, should be made payable on demand, and not several days after date.

Societies in a position to advance additional capital, should do so, we shall then be in a better position to take advantage of rising markets.

Orders sent by post, should, as far as practicable, be forwarded on Monday night, as they will then be executed more promptly, and give the Society greater scope in purchasing.

The accounts for the next half year will be made up on Tuesday, October 25th, and Societies are requested to forward to the Auditors a statement of the balance due to or from them at that date.

NORTH OF ENGLAND

Co-Operative Wholesale Industrial and Provident Society, Limited.

FIRST BALANCE SHEET.

From March 14th to April 30th, 1864

GENERAL STATEMENT OF EACH SOCIETY'S ACCOUNT.

	To Goods and Commission.	By Cash and Discount.	BALANCE		Capital Invested.
			Dr	Cr.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Accrington	85 14 5	85 14 5			
Ashton-under-Lyne	28 19 3	23 14 1	5 5 2		18 16 0
Bagslale	96 0 1	96 15 10		0 15 9	6 0 0
Blackley	95 11 10	110 12 7		15 0 9	8 10 0
Blackburn (Grimshaw Park)	15 18 8	15 6 0	0 12 8		10 0 0
Barrow-in-Furness	32 16 9	37 6 2		4 9 5	7 10 0
Bolton	216 9 10	200 10 8	15 19 2		22 10 0
Brickfield					15 14 0
Bradford	54 11 9	1 7 0	53 4 9		
Cleckheaton	167 16 9	228 14 8		60 15 11	21 7 0
Crompton	295 7 8	280 12 4	14 15 4		17 0 0
Congleton	104 10 3½	127 10 3½		23 0 0	8 8 0
Dalton-in-Furness	180 4 1	201 8 4		21 4 3	9 0 0
Eccles	16 18 9	16 19 1		0 0 4	17 10 0
Eagley	51 18 10	51 5 4	0 13 6		6 4 0
Failsworth	151 18 5	167 1 10		15 3 5	12 3 0
Greenbooth	114 14 6	112 5 6	2 9 0		3 5 0
Greenfield	233 1 1	179 4 11	53 16 2		7 0 0
Hewwood	251 11 11	315 0 3		33 8 4	35 5 0
Hollingsworth	45 4 7	20 19 4	24 5 3		4 15 0
Huddfield	135 12 9	163 4 6		17 11 9	5 0 0
Hull	188 8 11	202 13 10		14 4 11	40 0 0
Hurst	16 9 8	16 17 6		0 7 10	
Junction	7 8 9	7 8 9			3 15 0
Knuzden Brook	15 18 8	15 4 10	0 13 10		2 0 0
Lowick Green	16 12 8	15 8 2	1 4 6		5 0 0
Loughborough					3 0 0
Long Buckley	108 17 0	170 17 0		62 0 0	12 5 0
Lower Darwen	75 14 6	63 14 11	11 19 7		3 15 0
Lanebottom	14 7 9	15 7 6		0 19 9	2 10 0
Lancaster	40 9 5	51 19 9		11 10 4	25 0 0
Mossley	212 2 11	234 2 8		21 19 9	35 0 0
Middleton	266 3 10	256 18 7	9 5 3		125 0 0
Manchester (Equitable)	576 17 10	537 6 7	39 11 3		66 11 0
Manchester (Industrial)	274 13 8	348 12 5		73 18 9	45 0 0
Maryport					2 0 0
Milnrow	205 9 5	211 7 6		5 18 1	26 12 0
Over Darwen	248 6 4½	213 18 6½	34 7 10		25 0 0
Preston	96 7 2	84 11 0	11 16 2		12 10 0
Prestwich	287 17 6	305 14 5		17 16 11	14 2 0
Rochdale					200 13 0
Rhodes	182 0 11½	234 9 3½		52 8 4	12 8 0
Royton	42 14 5	50 14 4		7 19 11	9 0 0
Rawtenstall	60 16 2	60 16 2			
Silverdale	51 3 9	43 19 1	7 4 8		29 10 0
Slaithwaite					5 0 0
Tottington	12 4 4	16 4 4		4 0 0	7 10 0
Todmorden	60 0 11	61 9 5		1 8 6	21 4 0
Tenby					2 0 0
Tyldesley	24 7 8	25 12 0		1 4 4	9 0 0
Widton	156 10 8	194 3 10		37 13 2	7 0 0
Warrington	56 7 4	61 19 1		5 11 9	5 10 0
Witton	13 18 10	15 4 6		1 5 8	2 8 0
Woodley	21 11 0	20 7 2	1 3 10		3 0 0
Balance	223 10 0		223 10 0		
	5962 16 3½	5962 16 3½	511 17 11	511 17 11	999 0 0

Co-Operative Wholesale Industrial and Provident Society, Limited.

[illegible]

LIABILITIES			ASSETS		
	£	s. d.		£	s. d.
To Societies' Claims, as per List.....	999	0 0	By Goods in Stock	340	9 1
„ Owing for Goods	59	0 0	„ Fixed Stock	58	1 1
„ „ to Societies	223	10 0	„ Cash Balance in Bank	372	14 7
			„ „ in hand	511	5 0
			„ Balance Loss, including £16 9s. 6d. for preliminary expenses	39	0 3
	£1321	10 0		£1321	10 0

DAVID BAXTER,
JOHN HANKINSON, } AUDITORS.

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MINUTES OF FIRST HALF-YEARLY MEETING
HELD IN THE TEMPERANCE HALL, GROSVENOR STREET, MANCHESTER.

MAY 21st, 1864.

Present, 58 Delegates, representing 32 Societies

MR ABRAHAM GREENWOOD, IN THE CHAIR

RESOLVED:—

That the minutes be affirmed.

That the First Report and Balance Sheet, as printed, do pass.

That the following gentlemen be Officers for the ensuing year —

President—Mr ABRAHAM GREENWOOD, Rochdale.

Treasurer—Mr. JAMES DYSON, Manchester

Secretary—Mr. Councillor SMITHES, Rochdale.

Auditor—Mr. JOHN HANKINSON, Preston

That the Delegates present, impressed with the great advantages that have and are likely to accrue from the Wholesale Agency, hereby pledge themselves to use every legitimate influence with their respective Societies to secure for it their entire support.

That this meeting, feeling confident of the ultimate success of the Wholesale Agency, strongly urges Societies to increase its usefulness and power by paying their share capital in advance.

That the remuneration of the Auditors be left to the Committee

That each Committee-man be allowed 2s. 6d. per meeting, in addition to railway fare.

That the best thanks of this meeting be given to the Officers and Committee for their past services.

That the next Half-yearly Meeting be held in Manchester.

That the minutes of this meeting be printed and circulated with the report.

Signed,

ABRAHAM GREENWOOD, CHAIRMAN.

Dated April 30th, 1864

THE NORTH OF ENGLAND

Co-operative Wholesale Industrial and Provident
SOCIETY—(LIMITED)

FIRST REPORT AND BALANCE SHEET.

DAVID BAXTER, Manchester, [Auditor]
JOHN HANKINSON, Preston, [Auditor]

Progress Reported.

visitor at Balloon Street), followed him in the presidency. J. T. W. Mitchell was then on the Committee, having succeeded James Smithies in 1869, and in 1870 he was joined by another future president of the C.W.S. in the person of Mr. John Shillito, of Halifax. By the end of 1870, with the figures of business turnover as already given, the number of societies holding shares reached 196, while 297 were being supplied with goods. The profits totalled £7,626, equal to an average dividend on purchases for the year of 2½d. in the £. The capital—shares, loans, and reserves—amounted to £44,164. Finally (so far as this chapter is concerned), in April, 1871, a fourth alteration of rules was made. A significant addition to the Society's object of acting as "general merchants" was created by the new words "and manufacturers." The tree had taken firm root and would soon put forth branches. Yet "the system of co-operation," said the *Grocer* in 1870, "as applied to the revolution of trade in Great Britain is a failure."



BALLOON STREET IN 1870,
SHOWING THE ORIGINAL C.W.S. PREMISES.

CHAPTER VII.

FORTY YEARS AGO.

Characteristics of the Seventies—Fat Years and Lean—Economic Factors—
Other Influences upon the Vigorous Co-operative Movement—Period
1860-80.

UPON our main line we have now reached the first of a number of junctions. The few years 1870-74 saw the beginning of the Newcastle Branch, the bank, the earliest productive works, and the London Branch. In 1870 there existed in Manchester only a provincial wholesale distributive society, founded and still controlled mainly by Lancashire and Yorkshire men. By the end of 1874 it had become a mercantile, banking, and manufacturing federation working on a national scale. It is worth while halting at this place to remind ourselves of the general social and economic conditions of the period through which we are travelling.

Buckle attempted to displace "drum-and-trumpet" chronicles which recorded events, but neglected to explain them. He pointed to the effect upon nations of their material environment. Marx went further by introducing a purely economic or materialistic interpretation of history. Without adopting his idea of human affairs being governed through economic forms by the carnal man perpetually hungry, we may give first place in illustrating a co-operative history to economic causes, especially since this is a task which many writers and statisticians after Marx have made easily possible.

It is established that trade alternates from good to bad every few years. In 1857 there was bad trade, which changed rapidly to prosperity in 1860. During the wave of good trade, 1858-62, co-operative stores multiplied rapidly, the movement spreading both within Lancashire and Yorkshire, and far and wide beyond. This increase, in its turn, led to the establishment of the C.W.S. A check came with the American Civil War. Although the declaration of the blockade of the Southern ports had no immediate effect upon the price of cotton, distress appeared by the end of 1861, and deepened to the close of 1862. Dr. Watts' *Facts of the Cotton Famine* gave a total of 458,441 persons in receipt of relief in the December of that year.

Causes and Effects.

The famine passed, trade revived, and almost at the height of the revival the C.W.S. began business. A depression was reached in 1868, but it was followed by a revival in 1869-70. The latter year saw the commencement of a long period of prosperity; and the Wholesale Society, having withstood the previous inclemency, enjoyed the full advantage of this favourable season. In 1872 less than 1 per cent of the trade unionists of the country were unemployed. From 1872 to 1875 a slight decline was experienced, which became more marked in 1876; but it was not until the following year that the real descent began into the depths of hardship of 1879. In that year nearly 11 per cent of all the British trade unionists were out of work.

The fatness of the early seventies had several contributing causes. It was a period of world-wide advance. The first Atlantic cable was laid in 1866; the Suez Canal opened in 1869. In America, after the war, a period of intense industrial activity began. At the other extreme of the globe, Japan opened her doors to Western commerce with the revolution of 1868. A great development of railways was taking place in India; and Canada, Australia, and the Cape were striding forward. On the continent of Europe Russia was developing under a liberal Czar, who had emancipated forty million serfs in 1861. Italy had become united; and if France in 1871 was disabled by Germany, the immediate effect of the war was to inflate English trade, while Germany after the war applied herself to that industrial development which has made her England's best customer. At home the harvests were uniformly good. For the lean years of the late seventies, however, it is not so easy to account. Marx, as we know, held that such depressions resulted from the good periods leading to an artificial over-production, resulting from the laggard consuming power of an under-paid working class. Others have taken an opposite view, and see the cause in a temporary exhaustion of capital during the busy periods. Shortages of world harvests, fluctuations in the world's gold output, and diversions of capital to warlike expenditure have also been put forward. However this may be, the abnormally good and bad times centering in 1872 and 1879 respectively had a direct effect not only in advancing the C.W.S., but upon the starting and subsequent failure of such enterprises as the Ouseburn Engine Works and the co-operative collieries. And, when the dark days set in, the distributive societies and the C.W.S. were able themselves to produce effects by mitigating the rigours for the working people. Fortunately

The Story of the C.W.S.

they were aided in this by the generally-increasing margin between wages and average costs of living. Taking wheat as specially important, from 1871 on to 1897 the average price per quarter, as shown in the excellent chart published by *Broomhall's Corn Trade News*, declined through all fluctuations from 54s. to 25s. This was a factor which counted when, after an incomplete and short return of better trade in 1880-81, a long depression had to be faced before the welcome recovery of 1888-91. And another main fact must not be overlooked. Through periods of good trade and bad, the wealth of the country steadily grew. Estimated at six thousand millions sterling by Giffen in 1865, the same authority calculated it to have reached over ten thousand millions in 1885; while present-day estimates are approaching twenty thousand millions. There is no doubt that, speaking generally, this arresting fact quite disposes of many lamentations over hard times. And it gives reason to hope that the fairer distribution at which all working-class movements aim would reduce the effect of periodical and natural changes to a comparative insignificance.

While touching upon the increase of wealth since the sixties and seventies parenthetically, one may remark upon the industrial habits of those times. The working day was longer, but the attention to duty was much less constant and regular. Particularly this applied in the then less-developed trades like boot and shoe making, as the weekly reports from the first C.W.S. boot and shoe factory, after 1874, bore witness. Taking one or two extracts from these, we find the manager writing to the Committee and saying "the workpeople would not object to having a Monday holiday, but would not like to be stopped in their work on Saturday morning." These piece-workers had a Bohemian custom of making it up at the end.¹ In another instance, the same manager reports a small production for a holiday week, "none of the men turning up before Thursday." And in a third instance "he expects they (the factory generally) will lose a few days at the races"—the Leicester racecourse then adjoined the town, and was free, while the present ground is two or three miles away, and there is a charge of 1s. for admission.

If one can see dull statistics of prosperity change, fairylike, into long lists of marriage banns at Christmas or Whitsuntide, or hear

¹ Official figures showed that 40 per cent of the riveters were absent every Monday from March to June, 17 per cent every Tuesday, and 12 per cent every Wednesday; and this despite a press of orders.

Co-operation in the Seventies.

hard facts ring together as wedding bells, one will find a living interest in economics. At the same time, material conditions of themselves create neither marriages nor movements. The vigour that we find in the co-operation of the seventies largely arose from the unrivalled appeal it then made both to working people and social reformers. On the one hand, the times were ripening for social changes. If there was no general elementary education before 1871, yet, with State-aided voluntary schools, mechanics' institutes, co-operative societies' educational departments, a free press, and other agencies, most of those who wanted a measure of knowledge contrived to get it. Helped by such means, working people were asserting themselves. The progress of the trade union movement was shown by the growth of local trades councils in the sixties (London, 1861), the institution of trade union congresses in 1868, and the legal recognition of the unions in 1875. Townsmen had won their citizenship in 1867; and the Ballot Act strengthened the sense of freedom in 1872. In that same year Joseph Arch raised his standard among the agricultural labourers. Besides these developments we must reckon the results of the acute religious controversies of the period. The work of Darwin and Russel Wallace had led to the propaganda of Huxley and Tyndall; and this, again, found a more popular form in the lectures of Charles Bradlaugh and Mrs. Besant. One effect of such issues was reflected at the time in Tennyson's poetry and the novels of George Eliot, and elsewhere in the congresses of the Social Science Association. Men's minds dwelt more strongly upon social and everyday affairs. And while such readiness for special progress was in evidence, there was, on the other hand, no constructive social movement, except co-operation, appealing to the democracy. The "municipal socialism" which now has so large a place may be said almost to have begun under Mr. Chamberlain's brilliant mayoralty of Birmingham during 1873-5. Concerning Parliament, at a time when members took their five or six months' holidays undisturbed by autumn sessions, the cry was raised, "Help yourselves, for legislators are too busy to help you." It is true that much valuable working-class legislation went through both Houses, but it was mostly of a quiet and enabling order. Except when Plimsoll forced certain reforms upon the Commons, the advice to despair of Acts of Parliament was generally accepted. The immature political labour movement in 1874, through which Mr. Burt was first elected, soon died away. Amongst working-class leaders the most advanced idea was not socialism but republicanism.

The Story of the C.W.S.

The "International" (International Working Men's Association), important for a brief period on the Continent, made little headway in England, where socialist ideas did not begin to spread until the eighties. The leading trade unions looked for complement to co-operative production; the agricultural labourers' unions rushed into co-operative storekeeping. Meanwhile, the co-operative movement gathered round it not only some of the best working-class advocates but also a band of distinguished adherents, from the Marquis of Ripon and Earl Spencer (and the Prince of Wales was not indifferent) to familiar friends like Neale and Hughes. More than one pioneer has said of the seventies, "There were giants in those days." Perhaps the stature was not actually greater, but the feeling about the movement was keener. Nevertheless, this is not to imply that co-operative history belongs wholly to the past. While to-day co-operation suffers to some extent through being merely one of other social movements, there are many signs of its special place and purpose in democratic progress being recognised, and, consequently, of a widening and deepening interest in its work.

Before concluding this short note upon an important period, it is worth while noticing some other landmarks of the times during which the C.W.S. grew and developed so greatly. Although the temperance movement was instituted by an earlier generation, the Church of England Temperance Society was founded in 1862, and the Good Templars in 1868, while the changing habits of the people were to some extent responsible for the Post Office Savings Bank, which began in 1861. Moral progress was marked, again, by the abolition of public executions in 1868, and the dying out of political bribery from the same year. The growing importance of the masses was shown by the introduction by the Midland Railway of third class on all trains in 1872, and the abolition of second class by the same company in 1875. A well-known friend of co-operation in Leicester, in the person of Mr. Ellis, was then chairman of the Midland. Advanced education, such as is now represented by the Workers' Educational Association, began with the founding of the Working Men's College by Maurice, the Christian Socialist, in 1860. The University Extension movement arose in 1867. Ruskin turned from mountains and seas to social problems with *Unto this Last* in 1862, and the "Guild of St. George" and *Fors Clavigera* began in 1871. In 1874 John Richard Green published the famous *Short History of the English People*. In 1875, the year in which Kingsley died, and two years after most popular causes had lost a powerful friend in

The Living Environment.

John Stuart Mill, a young Oxford man, Arnold Toynbee by name, went to spend his summer holidays with the Rev. (afterwards Canon) Barnett in Whitechapel, and so came the University Settlement movement and much more besides. Among religious movements with social tendencies the Salvation Army was in genesis from 1865 to 1878, and the Guild of St. Matthew in 1877 became the forerunner of advanced causes within the national church. The co-operative movement was one of the first to admit women on equal terms with men, and we may, therefore, notice also that in 1867 the women's suffrage movement commenced, and that a number of legal improvements in the economic and social position of women quickly followed, while in 1874 the Women's Trade Union League began to organise women for their industrial betterment.

To some persons this may seem an unmeaning catalogue of events and dates. But although any one of these facts, standing by itself, would hardly concern us, taken together they create a living picture of democratic and social movement. The history of the institution with which we are immediately occupied gains by becoming a chapter in the larger, and still unwritten, story of the common people. From the churches (Nonconformist especially), and more widely from the temperance movement, co-operation drew no small part of its spiritual and moral force; intellectually it was indebted to popular educational activities on every side; and all its moral allies gained indirectly by its economic service. Moreover, in the web of human life there is no thread too remote or too dissimilar to have relation with another. When John Woolman in 1743, in the course of his employment as a clerk, protested against writing the bill of sale transferring a slave, the gentle American Quaker struck the first blow in a civil war that only culminated in the bloodshed of 1861-66. And this ultimate deadly strife so impressed English co-operators that, in their peaceful issue of federal *versus* independent co-operative action, some of the most effective arguments were drawn from the larger sphere. "The Americans, during their late war to maintain the integrity of their republic," said an advocate of the Wholesale Society in a conference paper of 1872, "never entertained the idea that their territory was too extensive or their interests too varied to be managed by one government. Like them, we must adapt ourselves to the exigencies of our onward movement and conquer all difficulties in the path of success. The American republic affords an admirable model which we might adopt in building our co-operative structure."

CHAPTER VIII.

FIRST YEARS AT NEWCASTLE-ON-TYNE.

Northern England—The Lancashire and Yorkshire beginning nearly Anticipated—Codlin, Short, and another—Founding the Newcastle Branch—Years 1862-74.

“**L**OOK there, Willie, yon chap’s down from what they call the Wholesale Co-operative Society of Manchester. I don’t know such a place. Newcastle is our market. We couldn’t think about dealing there.” So said a Northumbrian co-operative manager to his apprentice some time in 1868, as together they watched the retreating figure of a C.W.S. representative. In all likelihood it was the honorary traveller, Mr. Henry Pitman, who had thus reached a frigid zone. Such complete discouragement may have been exceptional, yet, here in the North, frequently he would be led to realise his distance from Manchester.

Northumbria, as represented by Newcastle and Durham, like “the delectable duchy” at the other extreme of the country, or even East Anglia, or Mr. Hardy’s Wessex, still remains a definite province of England, with its own dialect, manners, and local customs. In that moderation which is the spice of all things there is much in this to be thankful for. The traveller who is swung round the curve from Gateshead high over the “turbulent Tyne” finds a richer interest in the proudly-placed city on the northern bank when he realises that it is not simply a duplicate of Liverpool or Bristol or Hull. And the Tynesider, however he may value the opportunity of seeing exactly the same films at exactly the same kind of picture theatre as he would find in Manchester or Leeds, has a better heritage in the special history and characteristics of his bracing district.

The industrial North-East forms a compact inner province, separated by a wide and thinly-peopled countryside from that busy area which begins near Leeds and Bradford, and stretches by Manchester and the Potteries, or Sheffield and Nottingham, almost continuously through Birmingham, to Bristol, Cardiff, and Swansea. Co-operation in the locality owes much to the mechanics’ institutes of the fifties and sixties, and to the activity of the miners’ unions in

Northern Societies Take Action.

Northumberland and Durham. led respectively by the Right Hon. T. Burt, M.P., and John Wilson, M.P. It is indebted, also, to Holyoake's lecturing tours, and to the constant advocacy and continual friendship of Joseph Cowen. Cowen's statue in Newcastle, a figure of animation, stands at a short distance from the Central Station. The vigorous and earnest leader whom it commemorates was the son of a mineowner, Sir Joseph Cowen, yet he was "one (says the writer of a biography) who, in speech, dress, and manner, identified himself with the north country mining class."

Under Cowen's chairmanship steps were taken at an early date for combining the purchasing powers of the Northumberland and Durham Societies. On Good Friday, 1862, only eighteen months after the beginning at Jumbo, and a full year before the North of England Society definitely was resolved upon in Ancoats, a meeting was held in a temperance hotel in Grey Street, Newcastle. Sitting from eleven in the morning till six in the evening, the delegates established a "Northern Union of Co-operative Stores." The union promptly got to work by obtaining samples and prices from wholesale houses and investigating the question of wholesale supply generally. Nearly all the stores in the district were represented at a second conference held at Newcastle, probably during Whitsuntide, 1863. Joseph Cowen again was in the the chair. The secretary (Mr. John Mc.Shane) reported at length "on the question of the establishment of a Central Co-operative Store in Newcastle." A business of £70 000 a year and a profit of over £6.000 was optimistically anticipated. The relative merits of an agency and a dépôt were discussed, and that impracticability which the founders of the C.W.S. only discovered in an agency after its establishment Mr. Mc.Shane thus early perceived. Goods bought through an agency, he said, could not be seen until delivered; while those held by a central store, to wait the inspection of societies' representatives, would find the purchasers whom they suited. A central warehouse, also, would enable outlying stores to work with smaller stocks. The meeting decided to ascertain how much each northern store would subscribe towards a central dépôt. The news of this movement got about, and in the *Co-operator* for August, 1863, we find the wife of a Cumberland rector, in a long and sensible letter written on behalf of a village society (Whitfield), saying that "a wholesale dépôt at Newcastle would be an immense boon to us, especially if they can combine drapery goods with groceries."

If the Lancashire and Yorkshire co-operators had not been active

The Story of the C.W.S.

already, they would have been forestalled. As it was, the Newcastle conference went further than any of its kind in Manchester, by concluding with a public meeting, and securing a long report in the *Newcastle Daily Chronicle*, the journal which Cowen founded. Yet it did not lead to any material achievement. After all, in 1862 the societies of Northumberland and Durham numbered some thirty only. Their total membership of about 4,000 merely equalled that of the Rochdale Pioneers' Society alone. Their combined trade of some £100,000 a year was feeble beside the Rochdale figures of a quarter of a million. Hence it is not surprising that, with the Manchester institution actually coming into being in 1863-4, we hear little further of an independent central federal store in Newcastle-on-Tyne. Nevertheless, the need of a wholesale society within the district still remained, for in April, 1867, when the first request for a Newcastle Branch of the C.W.S. came through Mr. Spoor, of South Shields, not more than ten Northumberland and Durham Societies were in touch with Manchester, and only about half this number were giving any considerable support.

On May 20th, 1871, nine years after the first effort, the delegates of twenty-nine societies met to consider again "the advisability of establishing a wholesale society in Newcastle." Mr. Joseph Cowen was present, and once more unanimously was voted to the chair. The discussion resulted in the carrying of a resolution "by a large majority," requesting the North of England Society to open a Newcastle Branch. This time the request was entertained. At their meeting on the following Saturday the Manchester Committee decided to enter into negotiations. On receipt of this information a conference of Northumberland and Durham Societies was arranged for, and held on the 17th of June. Following this, a deputation from the committee of the northern movement—Messrs. Richardson (Durham), Dover (Chester-le-Street), and Mc.Kendrick (Newcastle)—went to Manchester. The deputation established its case, and, on their own recommendation, the North of England Committee by the Quarterly Meeting of August 19th, 1871, were "authorised and instructed to open a branch of our establishment at Newcastle-on-Tyne." William Marcroft, of Oldham, strangely enough, opposed the step, but he stood alone.

This record is becoming matter of fact; but now the comic spirit enters to enliven it through the good offices of a trio of northern merchants. It was reported in a trade journal that "the managers (*sic*) of a number of co-operative societies in

“Codlin’s Your Friend.”

Northumberland and Durham are contemplating the establishment of a wholesale co-operative society in Newcastle-on-Tyne.” By way of anticipating such a movement, one of the trio already was circularising the northern societies. This merchant admitted that it was necessary to buy through one source, either “a wholesale store or some other enterprising firm capable and willing to carry such an extensive business at the smallest percentage possible.” For the commercial house of requisite courage there was no need to search. If the co-operative stores would guarantee a business of £2,000 a week this firm itself would supply every article required at net cost prices, carriage paid, *plus* £2 per cent on original and £3 per cent on broken packages. But hard upon the offer from Short came one from Codlin. The new friend loudly declared that his rival was taking advantage of co-operative innocence. The offer meant a “very handsome guaranteed income of £2,600 a year, say, less £500 working expenses.” Codlin “would greatly rejoice to do the business at a less percentage, with the same guarantees and conditions.” It seemed as if the trustful co-operators might be embarrassed between their two benefactors; but now came the third offer, which gave reasons for rejecting both its predecessors. The newcomer offered capital and premises exclusively for co-operators, provided a sufficient number of stores supported him. However, the general body of co-operators, being notoriously blind to their own interests in becoming co-operators at all, remained unappreciative, and so the great opportunities were lost.

Meanwhile the formation of the branch went on. The original temporary committee, which seems to have been of indefinite number, settled down into a regular body. Amidst the changing personnel some names became persistent, including those of George Dover (Chester-le-Street), T. Spottiswood and Humphrey Atkinson (Blaydon), Thomas Carr (Consett), and Joseph Patterson (West Cramlington), while the Durham, Wallsend, Newbottle, Shotley Bridge, and Newcastle Societies early were represented. The cost of the preliminary meetings was partly subscribed, on appeal, by the Northern Societies. Temporary premises were taken in St. Nicholas’ Buildings. Further appeals were made for subscriptions to wipe out a deficit of £16 remaining on the formation expenses—the debt being paid eventually by the parent society of Balloon Street. A manager for the branch was sent down from Manchester and other employees were engaged locally. Close upon the emboldening purchase of a horse and cart for the business, the Newcastle Committee appealed

The Story of the C.W.S.

to Manchester to buy a corn mill in Gateshead which had been offered to the branch, "the societies contributing to the purchase at a levy of so much per member." A number of such appeals were made subsequently, but, apart from other considerations, the governing body of the Wholesale was hampered by the claims of the various co-operative corn mills already existing in Lancashire and Yorkshire.

The Newcastle Committee made inquiries about building sites, notably in Granger Street West, but were unable to induce Manchester to buy. Premises were taken, therefore, in Pudding Chare: and the beginning of May, 1872, found the Newcastle Branch and its three employees housed in a two-storey building in this narrow lane. "Chares" are fairly common in Newcastle. The word is first cousin to the "char" of "charwoman," and only slightly further removed from the "chores" sometimes grimly familiar to the Canadian immigrant. The common root is the old English *cerr*, a turn. This particular turn curves from the Bigg Market to the city end of Westgate Road. The small warehouse which the C.W.S. occupied has given way to an extension of the *Newcastle Chronicle* building. Pudding Chare, as seen in the old engraving we reproduce, is viewed before this alteration, but the standpoint just excludes the old C.W.S. warehouse by cutting off the building in the foreground on the left. The odd name, "Pudding," has interested local antiquaries, led by Mr. Heslop; but when the records are traced back to a certain Matilda Pudding, who, in the time of Henry III., held property of the king hereabouts, twelve feet by six, at a cost of twopence a year, the general reader ceases to be further interested.

The Pudding Chare warehouse, after all, merely served as a stop-gap. With a trade that in the first complete year overtopped £150,000, the Committee continually were alert for larger premises. Through Dr. Rutherford—Congregationalist minister, medical man, educationalist, and philanthropist, whose ill fate it was to become the managing director of the Ouseburn Engine Works—land was acquired in the city, with a view to building. This was the Strawberry House and Estate. But some triangular misunderstanding between Newcastle, Manchester, and Dr. Rutherford underlay the transaction; and, while the doctor was thanked by special resolution, the house and estate eventually were re-sold. A more permanent result followed the attending of a sale of property situated in Waterloo Street, held in February, 1873. No purchase was then made, but the delegates' visit produced a further offer of two plots of land in Waterloo and Thornton Streets, which together

The Branch in Being.

had an area of 853 square yards, and were to be bought for £4,000. The offer was accepted. At a further cost of £13,000, or £17,000 in all, a new warehouse was built, and that establishment created which has since developed into the great scheme of offices and warehouses in Waterloo Street, Thornton Street, and West Blandford Street. On Saturday, January 22nd, 1874, the "magnificent new buildings" were opened by Dr. Rutherford. Messrs. Woodin and Lloyd Jones travelled down from London for the opening; William Nuttall, Mr. Crabtree, and Abraham Greenwood came from Manchester, and nearly two hundred representative co-operators of the district were present. After the ceremony all sat down to dinner together in the new warehouse. "This important and vigorous portion of our business," the General Committee reported of the Newcastle Branch in August, 1873, "still keeps up its high reputation in every department, and when they enter upon their new premises (the plans of which are being prepared) there will scarcely be a limit to their development and progress."

The appointment as chief clerk, in 1873, of Mr. H. R. Bailey, who, from co-operative pioneering in Manchester, had travelled north *via* the secretaryship of the Sunderland Society, brings us in touch with present times. At the end of the same year the chairman of the branch committee, Mr. George Dover, of Chester-le-Street, was able to congratulate the forty delegates present upon continued increases of business. He added, "And, what is of still greater importance, our Society has been the means of doing much good to small societies, who, owing to their want of capital, were in a measure, previous to our opening this branch, at the mercy of merchants—thus fulfilling one of the chief aims for which the Wholesale was commenced." Quarter after quarter, for several years, the General Committee continued to express their appreciation of the figures of business from Newcastle. In 1877 they encouraged the Northern Societies to persevere still further in this advance "towards the more just and equal distribution of wealth, and the advantages and enjoyments that wealth can give, to which we look forward as the destined achievement of co-operation."

A natural question is: What were the constitutional relations of the branch and the general committees? Apparently, until an alteration of the rules in 1874, the branch committee was simply a local body of convenience, subject in all its actions to the necessary approval of the legal custodians of the Society, who met at Manchester. The branch minutes regularly were transmitted to

The Story of the C.W.S.

Manchester for approval. Letters of advice and instruction came from Manchester, and for further intercourse small deputations went up to Manchester or came down to Newcastle. But, subject to such approval, and under the special regulations prescribed from time to time by the general body, the Newcastle directorate held entire control as the governing authority of the branch. Yet in some respects their lot was not a happy one. The employees they engaged during the first year or two laboured under them with an unusual amount of friction, which resulted in unusually frequent changes. But when they put their confidence in their manager, and recommended him to Manchester for similar confidence and substantial recognition of it, they found their colleagues and superiors viewing matters not quite in the same light. Deference to Manchester seems to have been the rule at first, so that the General Committee were asked to name some officer of theirs at headquarters whose advice in the intervals between the General Committee meetings would in all minor matters be final. Afterwards a spirit of independence awoke; and minutes were sent up from Newcastle which the Manchester Committee stiffly asked the district authority to explain. It was in the interests both of unity and of a proper constitutional place for local needs within that unity that a fifth alteration of rules was effected in 1874. By these rules a fixed provision was made for branches and their governance, and one seat at least for every branch was reserved on the General Committee. Better steps than these again were needed in time, but this one marked an advance.

Thus the foundation of the Rochdale, Oldham, Middleton, and Manchester men was extended to "canny Newcassel," and thus the men of the North made a place for themselves within a federation that already had become national. We have quoted the word "canny" previously in this narrative, but as used by a Lancashire man in quite the opposite of the Newcastle sense of "all that is kindly, good, and gentle." It reminds us that the North has not only a character of its own, but, as in "canny" and in "hinny," its own especial terms. "Newcastle is an old fighting border town," wrote the great journalist who knew it well, G. J. Holyoake; "there is belligerent blood in the people. If they like a thing they will put it forward and keep it forward, and if they do not like it they will put it down with foresight and a strong hand. There is the burr of the forest in their speech, but the meaning in it is as full as a filbert when you get through the shell."

CHAPTER IX.

THE MAKING OF THE BANK.

Banking and Working Men—The Co-operative Banking Movement—The Loan and Deposit Department—The Industrial Bank—The Agitation for Separation—The Beginning of a Controversy—Years 1868-78.

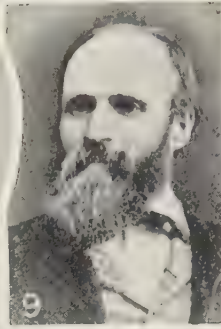
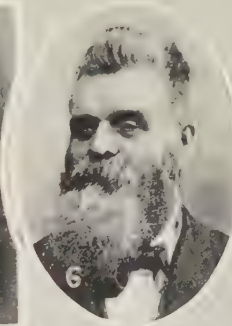
AT first sight—if at first sight only—banking is a business far removed from working men. In popular tradition the banker is especially the man of property. He stands apart as a master of abstruse and intricate things; he makes or unmakes other men. The whispered rumour of the presence of a banker in any meeting where a cause is to be promoted safely may be counted upon to provoke a thrill. His very clerks are not as other clerks. His business is carried on palatially; his hours of attendance are aristocratic. Even in ruin the banker is superlative. The shopkeeper may be gazetted, the doctor go out of practice, the merchant meet his creditors, the Cabinet Minister resign, but which of these things will excite the public like the failure of a bank? Yet, as Ludlow told the Lancashire co-operators in 1870: "Banking has grown out of ordinary trade. The earliest English bankers were goldsmiths. . . . Most country bankers have begun by being brewers or millers." The word "bank" preserves the memory of nothing more than the bench or table of the original money-changer's stall. In the day of its origin banking was humble enough.

The need of a central bank for the co-operative movement grew steadily from the first. Many small societies in their early years were slow to open accounts with private banks. How to treasure surplus cash was then a problem. A treasurer for the Hazel Grove Society took up a board of the bedroom floor and hid the money as far underneath as he could reach. The transmission of money was a perennial difficulty. In 1857 the Compstall committee resolved "that the shopman goes to pay what bills are due, and if the parties won't come for their money he is to buy the goods from persons who will come. The committee are not agreeable for him to go to Manchester with any large sums of money." With

The Story of the C.W.S.

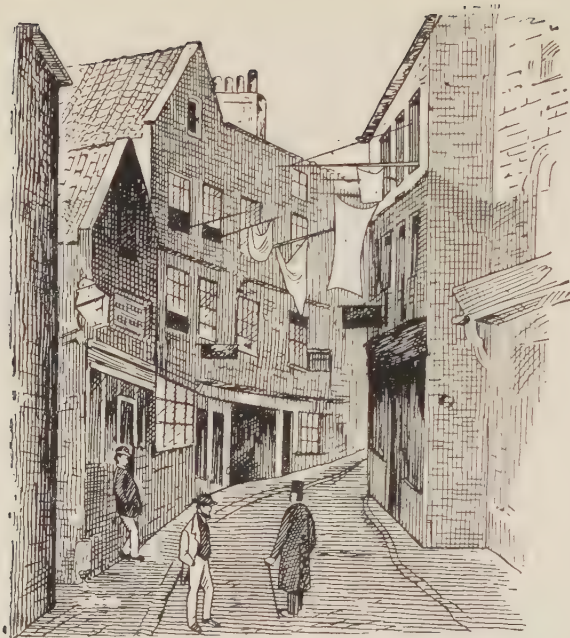
the establishment of the North of England Wholesale Society this obstacle was overcome in two or three ways. Half bank notes were sent by societies and acknowledged, after which the completing portions would follow. The drawback lay in a certain dilatoriness on the part of the better halves. In their first reports the C.W.S. Committee had continually to ask for a prompt second despatch, "as delay in this respect curtails our capital." Bank drafts were used also, and by 1868 Post Office orders. Another method of transmitting was advertised in the *Co-operator* at the beginning. It took the form of an arrangement with the Manchester and Liverpool Banking Co. by which societies could pay remittances for the C.W.S. into the branches of this bank free of charge, or to their agents at a charge of 2s. per £100. But the *Co-operator* advertisement, like one or two other apparently official statements of those days, was premature and unauthorised. As recorded in the Society's minutes, it was not until April, 1868, that inquiries were made into this possibility. It was adopted on December 31st, 1868, and advertised in the Committee's quarterly reports only after that date. On the first day of 1870 the Wholesale Society's banking business was transferred to the Manchester and County Bank, but without prejudice to this same method of receiving accounts.

No further step towards a C.W.S. Bank was taken in public until 1872. Meanwhile the question of a co-operative bank was discussed in the movement. At the first of the new Co-operative Congresses, held in 1869, "a member of the British diplomatic service in Germany" read a paper on the German co-operative credit banks. J. M. Ludlow, Lloyd Jones, E. O. Greening, the late Auberon Herbert, and J. T. W. Mitchell (not yet a member of the C.W.S. Committee)—all were in favour of action. William Allan, of the Amalgamated Engineers, also spoke, urging that whatever scheme was adopted it should be one which allowed for the needs of trade unions. The resolution eventually carried was for a co-operative banking and credit association on the model of the North of England C.W.S., with provision for trade societies to become members. But there was a special difficulty to meet. The Act of 1862 had definitely excluded banking from the businesses which a co-operative society or federation of societies might conduct. Legislators, apparently, were still dubious about the financial security of such ventures. This disability was not removed specifically until 1876, when it was permitted under conditions of which the most important was that societies engaging in banking should possess no withdrawable share

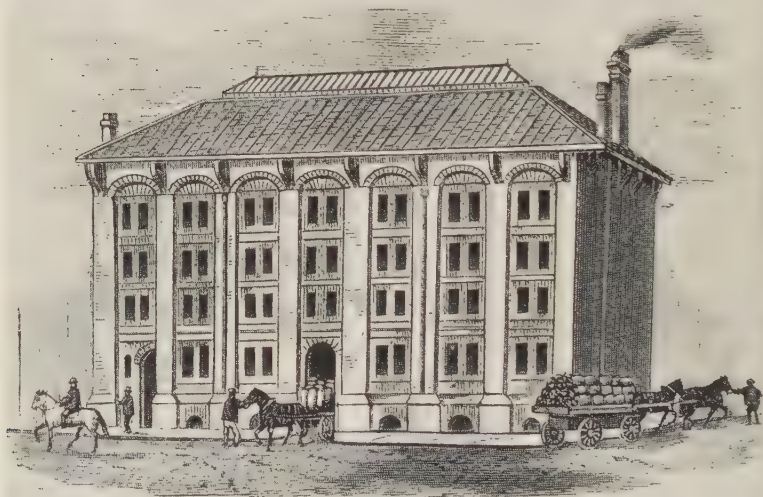


FIRST COMMITTEE, C.W.S. NEWCASTLE BRANCH.
(Including Provisional Members).

- | | | |
|----------------|-----------------------------|------------------|
| 1. W. Green. | 2. E. Gilchrist. | 3. T. Carr. |
| 4. R. Thomson. | 5. George Dover (Chairman). | 6. H. Atkinson. |
| 7. J. Steel. | 8. T. Pinkney. | 9. J. Patterson. |



PUDDING CHARE, NEWCASTLE, ABOUT 1875.
The Street in which the Newcastle Branch had its First Premises.



THE NEWCASTLE BRANCH PREMISES (WATERLOO STREET) IN 1882.
(From the C.W.S. "Annual," 1883.)

The Need of a Bank.

capital. Hence the association proposed in 1869 was to be registered as a joint-stock company.

On the Good Friday of 1870 a conference on banking was held at Bury. The *Co-operator* of that year had acquired a new interest, that of anti-vaccination, and, since the Bury meeting did not result in anybody going to gaol, the conference escaped editorial notice. However, Mr. Ludlow then read the extremely lucid paper on co-operative banking from which we have already quoted. He saw no reason why there should not be a bank possessing central offices "in the closest possible connection with the Wholesale Society," and branches wherever it had societies in federation. Such a bank "might in this way give unity to the movement, which, so far as I can see, it can hardly attain otherwise." At the Congress of that year, which was held in Manchester, a paper was read, and the matter again discussed at length. On this occasion the subject was handled by the manager of an important banking company, Mr. Silvanus Wilkins.¹ This expert named £50,000 as a necessary capital, and recommended that the Wholesale Society should be "the nucleus for the constitution of the contemplated project," but the resolution, moved by William Pare and seconded by the then chairman of the C.W.S., Mr. Crabtree, did no more than confirm the previous desire for a special bank "provided sufficient capital can be raised."

The Central Board of the Co-operative Union had the best part of twelve months before them in which to develop the idea. Yet at the end of this interval the Board could only regret "little if any substantial progress." A special circular to friendly and building societies had produced no result. The Trade Union Congress was something less than lukewarm. Under these circumstances, encouraged by William Nuttall, Abraham Greenwood, and J. T. W. Mitchell, the Congress ended its discussion by recommending action through the Central Board and the societies around Manchester to secure the adoption of banking by the English and Scottish Wholesale Societies. It was not expected that either federation should found a fully-equipped bank. Each in its own area was to be urged to make a beginning, simply, from which developments might follow.

¹ Incidentally Mr. Wilkins stated that, outside Threadneedle Street, 203 private and 109 joint-stock banks then existed in England. Together with this statement, as illustrating modern tendencies, one may quote Sir R. Inglis Palgrave, writing in the new *Britannica*. He found the banking business of England, for 1906, being carried on practically by about ten private and sixty joint-stock banks. Since that year, while no new banks have arisen, certainly half-a-dozen big amalgamations have been recorded officially.

The Story of the C.W.S.

During the Parliamentary session of 1871 a few more pages were added to the Statute Book in favour of Industrial and Provident Societies. The new legislation facilitated the buying and selling of land, and also permitted the advancing of money to members by societies on the security of real or personal property. This made the need for a bank still more urgent. When the Co-operative Congress of 1872 met during Easter, at Bolton, the Central Board reported in favour of bringing "all possible pressure" to bear on the Wholesale Society, and to do this "rather than seek to establish a separate institution." Nevertheless, the Congress resolution simply asked the Central Board to appoint a special committee from its members to arrive at "a speedy practical issue." Mr. Crabtree, indeed, did not prophesy immediate action by the C.W.S. "The Wholesale," he demurred, "was to be a great manufacturer of flour and soap, and were asked to become the great farmers of the country, and now they were asked to become great bankers. He thought it was asking too much of the Wholesale."

Yet the Wholesale moved. On May 18th, 1872, the Committee came before the Quarterly Meeting with a resolution which secured full support:—

That, as a means to commence and gradually develop a banking business, authority be given to the Committee to receive loans from the members withdrawable at call, and subject to 1 per cent below the minimum Bank of England rate of interest, the same to be used in our own business, or lent out on approved security.

And three months later the Committee could report to the Quarterly Meeting of August 17th, 1872, that nearly £29,000 had already been received in loans, while the advances amounted to £11,200. The question of banking, indeed, had occupied the Committee during the whole of the quarter. There had been deputations to London and Newcastle. The London and County Bank (Hughes, Neale, and others, with Mr. Wilkins, aiding the negotiations) had been appointed agents; and altogether the Committee expected to afford to societies "safer, simpler, and more economical methods of transmitting cash."

But more than this was demanded. Led by William Nuttall and Dr. Rutherford, this same August meeting passed a resolution "authorising" the extension of the C.W.S. banking business to non-members, "whether joint-stock companies, corn mill societies, or retail stores," and "authorising," also, the granting of current accounts to the same parties. This, in all essentials, meant banking,

The Industrial Bank.

against which the prohibition of 1862 was still in force. But at this time and afterwards William Nuttall stoutly maintained and defended the legal right of the C.W.S. to carry on the business, and influenced, perhaps, by the old spirit of doing "what's reet," and letting the law take care of itself, on September 10th, 1872, the Committee formally accepted the lead. At the same time a partial deference to Parliament produced a mode of progress apparently crablike. While agreeing to perform the main function of banking, the Committee resolved "that our incipient department, so far known as the banking department, be called in future the deposit and loan department." Veiled in this manner, the extended scheme of operations, under the management of Mr. Abraham Greenwood, practically came into force on October 14th, 1872, when the Failsworth Society opened the first current account—which they promptly overdrawed by cheque the very next day.

Meanwhile the fighting North had gone into action. For them the C.W.S. had not moved with sufficient speed. Immediately after the Bolton Congress. Dr. Rutherford, with other Tyneside co-operators, called a conference of all the Northern Societies. This conference "unanimously resolved," said the doctor (*Co-operative News*, February 1st. 1873), "that a co-operative bank was desirable and necessary in Newcastle." The result of this action was the joint-stock Industrial Bank, which commenced business on July 8th, 1872, at 4, Royal Arcade, Newcastle-on-Tyne. Rutherford made no secret of the fact that the chief necessity for such precipitate action was the position of the Ouseburn Engine Works, the big co-operative productive society of which he was managing director. The Newcastle bankers, it was said, had conspired to crush the works by refusing to transact its business. Actually, this may have meant that a natural prejudice was leading the bankers to exercise something in excess of their usual shrewdness. But the Industrial Bank claimed to be founded for more than the Ouseburn engineers. Including both individual and corporate shareholders, it appealed to all and sundry. In the words of its directors, it was established "on the soundest and most approved banking principles." And before the end of 1872 it was able to boast the support of "some of the largest societies in the North," as well as of the Northumberland Miners' Association. Banking, as its unsuspecting circulars remarked, was a profitable business; and all the Industrial Bank profits "in excess of 10 per cent" were to be equally divided between capital and custom.

The Story of the C.W.S.

An immediate result of Rutherford's action was to arouse a keen controversy. Ludlow, himself perhaps the chief pioneer of the banking movement, wrote to the *Co-operative News* for October 12th, 1872, expressly dissociating himself from responsibility for the departure. He had advocated a bank with corporate membership and low profits, and the new institution fulfilled neither condition. And he continued:—

The interest of the individual is primarily a mere self-interest; that of the body is the interest of many in one. To place individual and collective membership on the same footing is in fact to introduce a new discord, a new conflict of interests amongst those which co-operation seeks to solve and harmonise.

Dr. John Watts, of Manchester, an old and constant friend of federal co-operation, also wrote, deprecating the action in the North, and urging the claims of the Wholesale Bank. Nuttall, in opposing Rutherford at a Nottingham Conference (October 2nd, 1872), claimed to represent the attitude of the Central Board. Dr. Rutherford himself, oblivious of his support of Nuttall six weeks earlier, and forgetful of an early willingness to amalgamate with the Wholesale Bank, now declared that the Wholesale already had quite enough to do, and that "banking ought not to be tacked on to a trading firm." He objected, further, that the Wholesale meant centralisation, and that its movements were too slow. At the Newcastle Congress of 1873 similar arguments against C.W.S. banking again were heard, and the Wholesale was advised to "attend only to distribution, and let banking alone altogether." Messrs. Crabtree, Nuttall, Greenwood, and Mitchell defended the C.W.S. Bank, the last-named looking forward to it becoming "one of the most perfect institutions that could be found in any country." Hughes, Neale, and other leaders of Congress sought to reconcile the supporters of the two institutions, and a resolution of harmony was duly carried. But their idea of reconciliation soon became anti-Wholesale in effect, though not in intention. We have seen that banking had been resigned to the Wholesale Society in 1872 only because of necessity. Except the Manchester tortoise nothing had really moved. Now, with the first forward leap of the Newcastle hare, the situation changed. The idea of a separate banking society revived. When William Nuttall, at a C.W.S. Quarterly Meeting in August, 1873, urged a further extension of the society's banking business, in obedience to the simple principle that the Wholesale should render to societies all the services that societies undertook for individuals, he was successfully

Independent or Departmental.

opposed. The Wholesale, it was said, should not move, for other action was being taken. And very shortly the Central Board invited representatives of the Wholesale Society and the Industrial Bank to meet them at Barnsley on September 13th, and consider certain resolutions, prepared by Messrs. Hughes, Crabtree, and Rutherford, and unanimously recommended by the Board for adoption. The casting vote of their chairman brought the C.W.S. representatives to the meeting. They found themselves asked to join in separating the banking business from the federation, and amalgamating it with the Industrial Bank in a new and independent organisation. J. T. W. Mitchell and Robert Allen, of Oldham, for the Wholesale Society, at once dissented, while Abraham Greenwood, appealed to by Hughes, as chairman, for his opinions, defended the methods and security of his department, and protested against an agitation which "kept everybody in suspense."

Since this attempt at separation came to nothing we need not follow its details further. Incidentally it kept alive the question of the legality of the C.W.S. banking business. At the Society's Quarterly Meetings Mr. Hughes, M.P., would say it certainly was illegal, while Mr. Walter Morrison, M.P., would not be certain at all. At any rate, as Hughes showed, "the statute attached no penalty whatever to the breach of the law," and the C.W.S. Committee grew more resolute in standing by a department which proved of steadily-increasing value to the federated stores. At the same time they showed no unfriendliness toward the Industrial Bank. As early as August 10th, 1872, the Newcastle Sub-Committee had recommended that the Industrial should be the agent of the Wholesale in the North. A week later the Manchester Committee declared themselves "extremely anxious not to do the slightest damage or injury" to the northern institution. They sought to take no advantage of Ludlow's repudiation, nor to use his argument against the joint-stock company. And when, in 1876, the Industrial failed disastrously,¹ the Newcastle Committee (as it was then) were able to state officially "that in no way can any action of either the general board or of the branch committee here be deemed to be the cause of the failure of the Industrial Bank."

The opposite may be said, that instead of in any way attempting to injure either the Ouseburn Engine Works or the Industrial Bank, we have on more than one occasion made advances to these institutions of many thousands of pounds, when no other bank or individual could be found to render assistance in any form whatever.

¹ See Chapter XIII.

The Story of the C.W.S.

With the consolidated and amended Act of 1876 all question of a proscription of C.W.S. banking ceased, and the "Loan and Deposit Department" came out of hiding. The Committee announced that they were now enabled to assume the name of bankers, and societies previously timorous might now, through their federation, freely become their own bankers. The business, which in 1874 had already assumed in the eyes of Congress "a truly important character," now rapidly increased. A branch was established under the Newcastle Committee, and even the memory of the Industrial Bank could not prevent it from obtaining a fair amount of business. Altogether the turnover for 1876 only just fell short of ten millions. Profits to the extent of about three thousand five hundred pounds were divided among the society-customers. Appearing as 25 per cent upon interest, or commission and interest, the rate seems huge against the present 1 per cent. But the dividend is now declared, of course, on the daily balances. Another and an important detail in which early practices differed from the present day was the paying of a less dividend upon debit than credit balances, although it is the greater interest upon money lent which provides a banker's profit. Thrift being so essentially a co-operative virtue, evidently it was not considered right to encourage debtors !

A point has been reached at last where this chapter might very well end. But no ! Under a new form another movement toward separation was begun, and another battle remains to be described.

While the C.W.S. department had been criticised continually because the trading operations of the Wholesale rendered it "unsafe," no whisper had been heard against the Industrial Bank. There was an irony in this which might have been appreciated, but apparently it was lost. Instead of the failure silencing the critics it inspired them anew. The Industrial, it was now pointed out, had failed because of being "linked" with the Ouseburn Works. Equally the Wholesale Bank was linked with the C.W.S. trading departments. Therefore, would it not fail also ? At the Leicester Congress of 1878 Mr. Greening trembled for its future. But (following a paper by Mr. Hughes which had recommended taking advantage of the amended law to convert the C.W.S. Bank into a separate society) he contented himself with moving for a committee to consult with the C.W.S. Committee concerning the supposed danger. And a proposal that the rules of the C.W.S. should provide for a banking committee separately elected shortly afterwards was carried into the C.W.S.

The Keep of the Castle.

Quarterly Meetings. But it was met there by Mr. Mitchell, now chairman of the C.W.S. He killed it by definition. It was a proposal, he said, to create two executives for the control of one capital. The support of a few prominent co-operators, led by E. V. Neale, could not save the scheme from a crushing defeat. Other alterations of rules were carried, however, designed to facilitate the banking business, and bring it within the letter as well as the spirit of the law. Although the agitation for a separate co-operative bank was maintained for many years onward, with more or less hope, the C.W.S. Banking Department was never afterwards in any real danger.

It must not be supposed that disinterested and public-spirited men like Hughes and Neale cherished the slightest ill-will toward the C.W.S. They were animated by a warm idea of a great, friendly financial institution giving a hand of equal comradeship to every working-class movement, the Wholesale Society included, and they thought such a tower of strength should stand by itself. Mitchell, Nuttall, Allen, and their supporters, however, saw in that tower the very keep of the C.W.S. castle. "It is not your money," said Mr. Greening to the C.W.S. Committee, "it is the money of the movement." But the C.W.S. *was* the movement, or the main body of it, in its most united aspect; and the money *was* the Committee's money in the sense that they, and not their critics, were responsible to the societies for it. And Mitchell and the others saw how this money within the C.W.S. would draw together and strengthen the whole store movement, while in the hands of a separate body it would have created a division between the mercantile and the manufacturing and the financial powers, leaving it within the authority of the latter to starve, stunt, or positively forbid C.W.S. development.

On this ground began the long controversy between the individual and the federalist or collectivist schools of co-operation. There began, also, a still more intimate and more painful movement. Hughes and Neale especially had watched over and helped the infant North of England Society from its birth. It was not easy for them now to realise that the child was growing to youth and manhood; and they felt their guidance necessary still. Yet, represented by such men as Mitchell, the Wholesale Society more and more discovered itself, and the need of advancing the purpose and mission inherent within itself, even at the cost of perplexing or alienating its fosterers. Those battles of the seventies, in which so many delighted, were not without sadness for a few.

CHAPTER X.

THE ENTRY INTO PRODUCTION.

Tools and the Worker—Progress to 1872—The Crumpsall Works—The Leicester Boot Works—The Durham Soap Works—Profit-sharing under Collectivism—Employees' Purchases—Years 1872-74.

“**I**N more respects than one that meeting was a moral triumph.” “At last a new step in co-operative progress is about to be realised.” “To all these proposals we say ‘aye’ with all our heart.” In such terms the *Co-operative News* of November 23rd, 1872, dwelt upon the previous week’s quarterly meeting of the Wholesale Society. The enthusiasm was aroused by the Committee proposing to enter into manufacturing. At the meeting itself the carrying of the first of these recommendations was hailed “with loud cheers.” “I felt that we have passed the Rubicon,” wrote the veteran disciple of Owen, William Pare, in the *News* a fortnight later. “Although in feeble health, just recovering from a painful illness, I cannot refrain from expressing to you the high gratification I have felt. . . . This quarterly meeting will become famous in our annals.”

To the older men the step meant an entirely hopeful attempt to retrieve the past; to the younger it seemed the beginning of a happy future. Englishmen centuries before had attained a rude industrial content. Workers owned their primitive tools, and in their self-contained villages and districts, albeit under the shadow of feudal lords, could order their lives much to their own liking. The changing times that enlarged the world, and increased commerce, developed the small master; nevertheless Defoe’s accounts of his tours in England show that even in the early eighteenth century workers were not far removed from the old rough, simple order. And still later, though cut off from the consumer, and dependent upon powerful merchants and middlemen, the cottage worker had yet some control of his industry, and a sense of freedom (perhaps illusive) in arranging his own working time. It was the twin revolutions of the eighteenth century, agricultural and industrial, that stripped him of all but his labour, and pitted him, naked and

A Hopeful Dawn.

isolated and untaught, in a fight for life against the powerful forces of a great new industrial era. The bitterness of resentment was vented in the murders and riots of the Luddites; while in the co-operative productive efforts of the early Owenites the more characteristic idea of peaceful resistance found expression. But violent opposition and pacific alike had failed. In the co-operative sphere there was failure multiplied and universal, failure full of pathos even when most inevitable. And during the years since then the tale had been little better. Yet the memory of the hope of freedom was in men's blood. They could not cease to strive for the lost ownership of their tools, for the unforgotten idea of self-employment, for the unfading dream of the industrial commonwealth. The success of the co-operative distributive movement, and the measure of production by societies or small federations resulting therefrom, had quickened anticipation. Now the prime organisation of co-operators, "our central co-operative institution," as the *News* described it, was leading into the productive field the whole great body federated through it. A new and better era seemed at last to have opened.

But, to witness the institution growing strong enough for this development, we must pick up the story where we left it in 1870. For the year 1871 the sales of the Wholesale Society totalled three-quarters of a million sterling. In the next year—still more wonderful!—they exceeded the million. The increase brought certain extensions of premises at the Balloon Street headquarters. The business already was covering something more than the provision trade; for the advertised list of articles ended surprisingly and mysteriously with "soaps, sewing machines, &c." Further, an arrangement had been entered into with a Cheshire manufacturer for the supply of boots and shoes. This latter department was separately constituted under its own manager in August, 1872. Blankets were offered to societies at the same date, and the manufacture of blankets was spoken of. About the end of 1872 a first step was taken toward a fully-equipped warehouse for Manchester drapery. Beyond the region of Balloon Street, the Newcastle Branch was established, the London Branch was in sight, and South Wales Societies were agitating for a branch at Cardiff or Bristol. Under such circumstances the Quarterly Meeting of November, 1872, decided to drop the "North of England" from the Society's title, thus reducing it simply to the Co-operative Wholesale Society Limited. The business was felt to be expanding lustily; it had

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extended to a third half-million by the end of 1873. Although the *Drapers' Trade Journal*, following the *Grocer*, found co-operation in 1873 to be "rapidly collapsing," most people preferred the evidence of statistics.

Yet the Wholesale Society was receiving only one-eighth of the societies' whole trade, and certainly no more than a quarter of what it might legitimately expect. The reasons of disloyalty were frequently discussed, and societies' buyers again received their share of criticism. Amidst cries of "He knows!" "He's been there!" it was pointed out at a Quarterly Meeting that merchants and their agents on Manchester market days lay in wait for the weaker brethren and induced them to accept hospitality at an adjacent hotel. According to a writer in the *News*, hosts and guests after dinner would join in "drinking damnation" to the forsaken Wholesale. The provision of dinners for buyers was suggested and eventually adopted. When it gained the opportunity, the co-operative meal proved itself worth many arguments in promoting friendly relations. On the other hand, there were certain incorruptibles who, so far from being open to malign influence, for a long time were suspicious of a free dinner even from the Wholesale, and refused everything except that for which they could pay! . . . It should be said, also, that on the Wholesale's side there was room for intensive as well as extensive progress. Its officers had not penetrated in every case to the best markets, while long delays in executing orders provoked frequent complaints. And every inch of advance was contested keenly by the private firms affected, as, for example, when secret offers were made to societies of lower terms than those upon which the manufacturers or merchants concerned already were doing business with the Wholesale.

However, taking together the gratifications and disappointments, the prosperous year 1872 saw the Society materially in a position to begin manufacturing. On many sides the step was strongly urged. The *Co-operative News* advocated it whole-heartedly and consistently. Mr. J. McPherson, of Newcastle-on-Tyne, at the Bolton Congress, and Mr. Joel Whitehead, at Failsworth, gave powerful support. The leading part taken by two co-operators of the famous little town of Banbury illustrates the widening range of the federation. "Next to mother earth," cried one of them, an Owenite, William Bunton by name, "the Wholesale should be the source whence all our wants are supplied." "How much longer," he asked, "are we to use goods of other people's

The "Wholesale" "Too Big."

making? Has the Wholesale put forth all its strength, and is now capable of nothing more?" At a Midland conference in Banbury, his colleague, Mr. John Butcher, read a paper strongly urging upon the Wholesale the manufacture of boots and shoes; and a resolution to the same end was carried by the delegates present. Yet there was an opposition to be considered. It was argued that different manufactures needed to be carried on in different localities, and ought, therefore, to be instituted and managed locally. The now familiar cry was raised of the Wholesale being too big and having too many irons in the fire. William Marcroft again endangered his reputation for long-headedness by advising the Wholesale entirely to avoid production. The Society's then chairman, Mr. Crabtree, was himself in favour of production by separate federations, the Wholesale acting as agent only. Eventually he accepted the idea of manufacturing, not as a principle, but merely as legitimate in the few defined instances.

When the Committee took their courage in both hands they elected to manufacture biscuits, sweets, tobacco, boots and shoes, and possibly blankets. The question of flour-milling had been pressed forward by others besides the Newcastle Sub-Committee, and a previous Quarterly Meeting had resolved upon an inquiry into the possibility of taking over the existing federal corn mills; but this had proved a ploughing of sand. Another and a brilliant opportunity to commence production had been furnished by a blacking manufacturer, who waited upon the Wholesale Committee to offer his plant at £1,950, including £500 for goodwill. "Goodwill it is a jewel," sang Edwin Waugh—in this instance a little too costly. The field, therefore, narrowed down to the articles named by the Committee, and not all these were approved. Tobacco provoked objections. "If it did not poison people," said Dr. Rutherford, "it sent them to sleep." At this meeting the Wholesale had dealt generously with Henry Pitman, paying off the balance of the debt (over £400) which he had incurred through the *Co-operator*, now superseded by the *Co-operative News*, and Mr. Pitman's anti-narcotic feelings were pleaded against tobacco. So the odious weed was rejected. The remaining recommendations passed, biscuits and sweets on the motion of Henry Whaley, boots and shoes as moved by J. T. W. Mitchell.

For the purposes of the first-named branch of manufacture the meeting had already decided to buy premises and plant lately

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used in the business at Lower Crumpsall. The price, with the land, was £3,350. In February, 1873, the Committee announced that the new works were "in successful operation, turning out a large assortment of excellent biscuits and sweets, currant bread, &c." But when a man marries—and troubles began here also. In July the Committee reported that "the practical management has not been as successful as we anticipated." A change was decided upon, but two advertisements brought no satisfactory applicant. Under these circumstances the Committee fell back upon one of their own number, the late Mr. Thomas Hayes, of Failsworth. In vain he protested that he "hardly knew a biscuit from a handsaw." The Committee were in a position with which they grew to be familiar in those days. They could obtain clever fellows who turned out to be scamps, or good men innocent of ability, or men honest and able, but in search of stepping stones toward entering business for themselves. The Committee, therefore, preferred a man who, however unused to the work, was not in any of these categories.

The new manager discovered the plant and machinery to be antiquated. A new rotary oven was put in, but, the demand being small, to produce the varieties required it had to be readjusted, at much inconvenience, three or four times a day. Nowadays the works possesses a dozen such ovens. Troubles with manufactures, troubles with employees, and miscellaneous troubles dogged the steps of the management. The Committee guardedly admitted that, while their biscuits were of excellent materials, the "surface quality" left something to be desired; and the manager privately was instructed to make certain biscuits "a little more crisp." On one occasion the works had to be closed for five days "to reduce stock;" on another the Society was fined £1 for creating a smoke nuisance, and the manager was asked "to try and heat the oven furnace with coke." Kindest of heart, the manager nevertheless was obliged to discharge four men at once "for slipping off work and drinking," and for his leisure moments he had to solve the problem of how to prevent sweets from sticking to each other in the bottles, or biscuits from showing the marks of a wire tray, or wet fruit from spoiling jam. Such obstacles being overcome, the small branches of manufacture were entered into—dry soap in particular—and extensions were made, but the depreciation upon the new buildings proved too heavy for the profits. Even a member of the Wholesale's own Committee came gloomily before a Quarterly Meeting to express his conviction that the works "would never pay." But the lane had its

Crumpsall to Leicester.

turning, and during the hard times of 1876-80, when co-operative productive societies were going down like ninepins, the Crumpsall Works was comfortably embarked upon a profitable career, which, practically, has continued ever since.

While Crumpsall moved the boot and shoe factory tarried. Want of capital was the reason urged by the Committee in February, 1873. Thereupon Messrs. Marcroft, Stott, and Brearley, of Oldham, proposed what amounted to the abandonment of the idea, while J. C. Edwards joined forces, and the "Wholesale" chairman, Mr. Crabtree, was dubious. William Nuttall, however, remained stalwart, and a possibly unexpected support of C.W.S. manufacturing was lent by Mr. E. O. Greening. Mr. John Butcher emphasised the point of biscuits being a luxury and boots a necessity, but he referred simply to the natural order of things, for the Continental war a year or two earlier had stimulated the demand for British boots until they, too, had become almost a luxury, especially to the agricultural classes around Banbury. However, the Quarterly Meeting carried the boot-making project past the sirens of Oldham, and then a new difficulty arose. Where should the works be placed? If they were close to headquarters an eye could be kept upon them, but the claims of the centres of bootmaking could not safely be ignored. Mr. John Butcher had just been elected to the C.W.S. Committee, and he had been born making boots—and co-operative societies—as some men are writers from their cradles. A bright idea was acted upon, therefore, when a colleague hurried after him as he walked from a committee meeting to the Manchester station to ask whether, in the event of a works being commenced at Leicester, he would undertake the management. Offers of the kind in those days proved embarrassing rather than otherwise to advocates of progress who themselves were in settled positions; but eventually the proposal was accepted. The factory, which has since been enlarged to the present Duns Lane Works at Leicester, was rented at £75 a year, and the Society's name posted thereon. Two men passed:—

"Ah," said one, "*they* won't be there long; two people have failed there already."

"Those fellows won't be easy to shift," replied the other; "they come from Manchester, and they're stickers."

By November, 1873, one hundred employees were at work. From the first the C.W.S. kept its work indoors as far as possible, but under the existing conditions of the trade much riveting and finishing had to be given out. It went to men who, in too many

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instances, were the sweaters on a small scale of boy labour, and who were true to the well-known Bohemian custom of never doing to-day what can be put off till to-morrow. Nor did the craftsmanship atone; indeed, the artistic spirit that laments the monotony of factory industry would find little comfort in authentic accounts of those conditions of home bootmaking which it replaced. These factors especially affected a young business which had many timid sample orders to execute, and constitutionally was compelled to oblige every society with "specials." Yet the business steadily went forward. A smart day's work in December, 1874, saved the factory from being sold over the Society's head by securing it for £1,350. An adjoining piece of land was purchased in the following year, and 1876 witnessed extensions in progress. On August 4th of the latter year a numerous party of delegates joined with the employees to celebrate the enlargement. "The tea-party and meeting (says an official record) was well attended, the whole of the workpeople taking a great interest in the proceedings." In the following December the Committee reported that the works were capable of producing 7,000 to 8,000 pairs per week, and that "£6,014 in wages have been paid to a weekly average of 420 hands." Profits were being realised quarter by quarter. The Scottish Wholesale already was associating with the elder federation for buying purposes, and a considerable measure of support for the Leicester Works now came from Glasgow.

The third and last entry into production during these years was through the Durham Soap Works. In the Newcastle district it is still told how a certain quarterly delegate, now a member of the C.W.S. Committee, squeezed in his hand a cake of watery soap, and then flung the ball on to the platform, asking whether when such stuff was sold it was not time they made their own. Like Burke's dagger in the House of Commons, the action had a dramatic effect. This incident may or may not have had relation to "a deputation from Chester-le-Street and Blaydon Societies," which visited Manchester, and desired the C.W.S. Committee to purchase a soap works having a capacity of ten to fifteen tons weekly close to the railway goods station in Durham. Nearly seven hundred square yards of freehold with properties, plant, and machinery in working order were to be had at a price which ultimately came down to £3,000. After inquiries on the spot by members of the Newcastle and Manchester Committees, the delegates assembled on September 20th, 1874,

The Thickets of Bonus.

were recommended to sanction the purchase. In this case no real opposition was raised. Mr. Stott, of Oldham, even asked for "central soap works on the Mersey, as well as these works in the North." The latter, it was explained in reply, could be regarded as a branch for supplying the Northern Societies, and, therefore, necessary in any case, and the recommendation was carried unanimously. After an initial loss the Durham works became so successful that extensions were begun, but with less happy results. Candlemaking was undertaken and afterwards dropped. Difficulties such as were experienced at Crumpsall thickened around the enterprise. Loss followed after loss until it seemed as if the lean years of the late seventies would swallow up a C.W.S. department also, but this fate was averted, and better years followed.

It remains to chronicle an extra difficulty which was ever with the hard-worked executive of the Society during the first few years of manufacturing effort. At the epochal meeting of November 16th, 1872, Messrs. Neale, Greening, and Rutherford, with the support of Henry Whiley, induced the Wholesale delegates to accept the principle of bonus to labour. The meeting plunged into the thicket with a cheerful ignorance, for "after a slight discussion the principle was heartily affirmed." A method of applying the rule was drawn up by the Committee and submitted at the next Quarterly Meeting. Faced by the fact of a complex business now employing three or four hundred workers in varying occupations, from feeding boilers at Leicester Shoe Works to buying butter in Ireland, the Committee stopped short at a simple scheme. The main bonus on employees' wages was to be in proportion to the dividend paid. If the latter fell below 2d. there would be no bonus, but 2 per cent on wages with 2d. dividend was gradually to reach a maximum of 4 per cent with 4d. distribution. Other percentages, based on total annual sales, made it possible for the aggregate bonus to reach nearly 1s. 5d. in the £. This was not satisfactory to Mr. Greening, but the chairman explained that the arrangement was tentative and would hold for two quarters only.

The Committee's minutes show them as puzzled how to fit bonus into the Wholesale's economic frame, and continually they adjourned consideration, or decided to go on for "six months longer" or for "three months longer." In the meantime, Mr. E. O. Greening moved for a committee to report upon "placing the relations between the Wholesale and its manufacturing establishments on a sound

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co-operative footing." Briefly, he shared with Neale, Hughes, and Morrison the idea of creating each worker an individual partner in the Wholesale Society; and, to overcome the difficulty of the C.W.S. constitution permitting no individual shareholders, these advocates of copartnership eventually proposed to have each workshop registered as a separate organisation in membership with the C.W.S. The different works would be financed mainly by the Wholesale, who would also appoint the manager and retain general control, but half the profits would go to the workers. Coming before the delegates on December 20th, 1874, the Committee declined to accept these proposals, and recommended a revised scheme of bonus instead. Under the new official scheme the existing scale of bonus was to apply to distributive workers only. For each of the productive works separate plans were to be followed, the general idea being to pay a bonus of 5 per cent on the profits made in each case, and to add a further sum, varying from 5s. to 10s. in particular works, for every £100 turned over. The bonus was to be conditional upon good conduct, and, incidentally, time-books were to be introduced and attendances checked.

By this time, however, the feeling of the delegates was turning against bonus under any form. William Nuttall, who had encouraged profit-sharing at first, and still was not wholly decided, found many sound reasons to weigh against it and little to be said in its favour. Although a motion to abolish the bonus was lost, the Committee's idea of developing it fared no better. Six months later—on June 19th, 1875—the resulting deadlock was ended. The abolition of bonus was moved by one of its first advocates, Henry Whiley. "They found it a miserable failure," he said, "so far as perceiving any effects in the management." John Hilton, seconding, confessed to "thirty years" of disappointment—

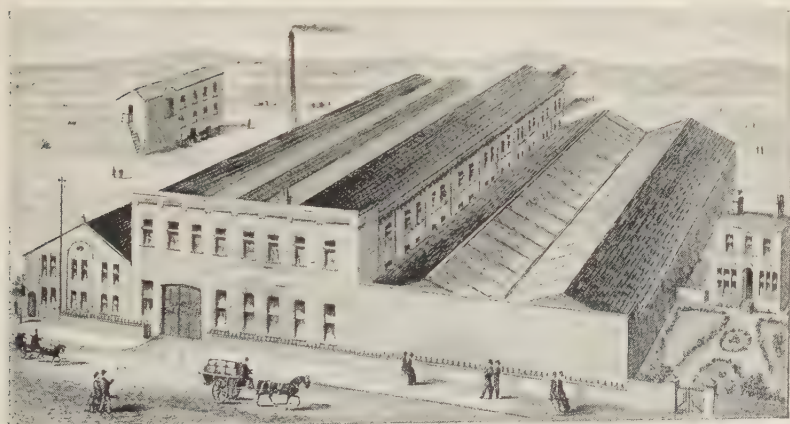
In every case it had been a failure, and had never resulted in benefit to any society, nor had it been of much advantage to the recipients.

The Newcastle and London Branches hesitated over total abolition, but the Manchester vote was decisive, and, except for a further trial in later years under the Drapery Committee, bonus on wages disappeared.

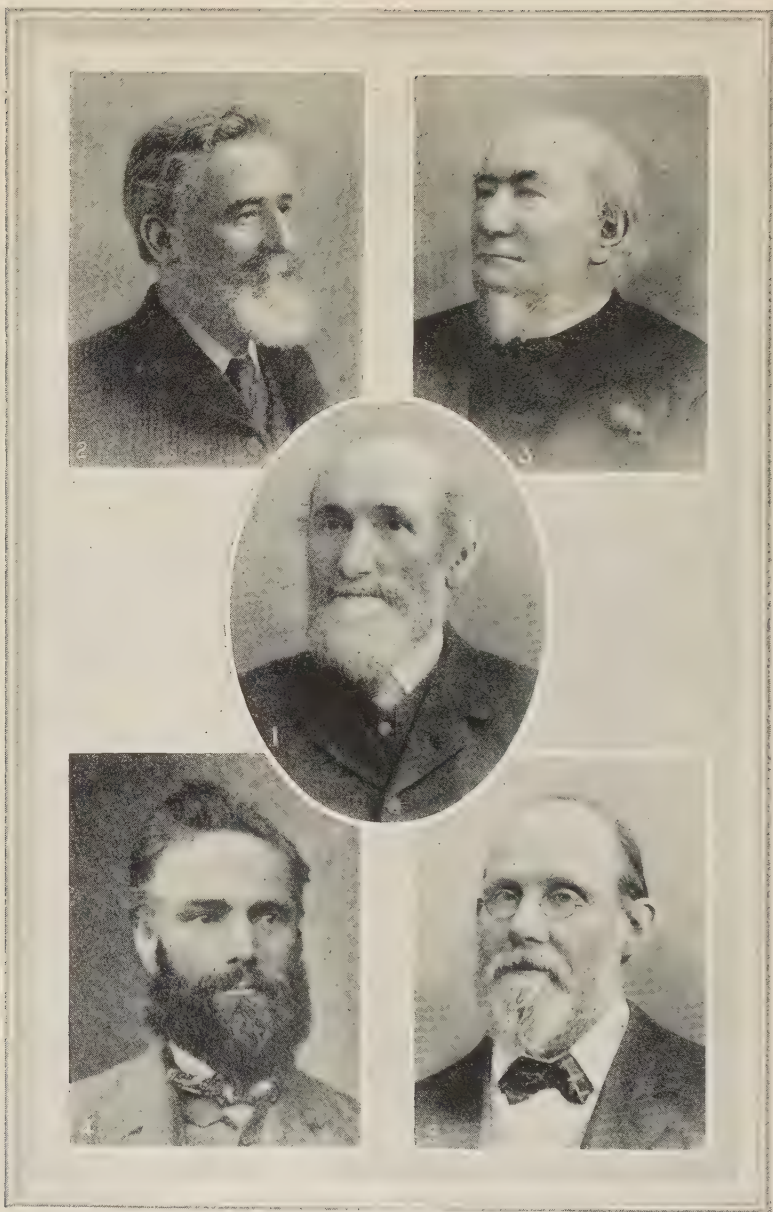
The question itself was not closed. During the following fifteen years the asserted legitimacy of a bonus on wages remained as a kind of Jacobite claim in Wholesale history, always likely to inspire risings in its favour. It was put forward much less by employees of the Wholesale Society than by middle-class and professional men



THE FIRST C.W.S. BOOT AND SHOE FACTORY, DUNS LANE, LEICESTER.
From a photograph taken in 1876.



THE CRUMPSALL BISCUIT AND SWEETS AND DRY AND SOFT SOAP
 WORKS IN 1884.
From the C.W.S. "Annual," 1885.



FIVE OF THE FIRST MEMBERS C.W.S. LONDON BRANCH COMMITTEE.

1. Henry Pumphrey. 2. T. E. Webb. 3. Joseph Clay.
4. John Green. 5. George Hines.

A Superfluous Copartnership.

who supposed themselves to be acting in the interests of labour. They believed sincerely that in denying "participation" and "copartnership" the Wholesale was relapsing into joint-stock capitalism. In reality the case was precisely opposite. Throughout society, under capitalism, there is a division between a numerical minority of owners, with their friends and dependents, and a numerical majority of workers; and there is also another division co-existing between the antagonistic interests of capital and labour and the interest of the public as the universal consumer. To accept these divisions by proposing merely a formal partnership of the three interests is in effect to perpetuate capitalism. What we need, in the interests alike of labour and society, is an end to this absolute division. When capital becomes the servant of the public, and labour becomes a public service, undertaken by citizens to satisfy common needs, then the present economic civil wars will cease, for the capitalist and the worker will be merged in the citizen, and the economic interests of society will be united. From such a complete state the voluntary and limited community of the co-operative stores and the Wholesale Society, no doubt, is distant; nevertheless, it is on the same broad principle that the store movement rests. Co-operators come together to supply their common needs; their collective capital becomes collectively their servant, work on their behalf a civil service, and profit a just return for loyalty, going back through dividend on purchases to those who need it most. All is unified in the co-operator. Thus, if he is a member of the ever-open co-operative community, the worker in a co-operative factory already is in full partnership; and if he is not a member, then of his own choice he is outside the co-operative body and has no special claim upon it. Wages for labour of which none are ashamed, a strictly limited interest on shares that cannot appreciate, and everything else to the co-operator who himself is consumer and capitalist, and, as far as possible, worker also—these are the principles of the store movement. When the justice of them is understood the claims of copartnership and profit-sharing become irrelevant, just as it would be absurd if members of the House of Commons proposed copartnership with the nation, and a sharing between members, fundholders, and taxpayers of any surplus national revenue.

During recent years all this has been perceived clearly enough, but in the heyday of the bonus agitation the opponents had no theoretical objections to offer. The eloquent champions of "participation" had it all their own way; and co-operators were

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led to feel that they ought to pay bonus or be ashamed of themselves. Opposition arose only through the gradual realisation of the practical obstacles. The difficulty of discriminating between the relative effects upon profits of distributive and productive labour; the relative bonus value of the buyer and the postal clerk; the liability of all labour to be robbed of bonus value by uncontrollable fluctuations of trade and markets; the just proportion of bonus between the few workers needed in a corn mill and the many employees of a printing works; the question of whether additional C.W.S. profits were created by labour or by the adhesion of more societies to the federation through the spread of co-operative knowledge; the human weakness on the part of employer and employed for reckoning bonus as part of the contracted wages—these and other insurmountable difficulties finally produced the repudiation of all profit sharing by the C.W.S.

Although so much was said by others, the employees took the decision quietly. They cared much more about another matter, the privilege of making purchases direct from the Wholesale Society. A similar privilege was and still is enjoyed by workers for private firms, and at the most amounts to less than colliers' free coal and the railway servants' privilege tickets. Prior to 1871 the employees were supplied individually, but early in that year the growing trade was regulated by the formation of a United Employees' Association. In 1874 the Quarterly Meeting instructed their Committee to inquire as to alleged abuses of this privilege. The Committee reported in December, 1874. They could not find that injury had resulted to the C.W.S. "or any other society," and recommended the delegates "to allow the association to continue." But such direct purchasing was undoubtedly a privilege, and, the bonus question having put societies into a mood for equality pure and unadulterated, the Committee's advice was declined. While disclaiming any feeling in the matter on the part of the Committee, Mr. Mitchell, as chairman, pointed out that such a vote virtually meant discontinuing the association; but no friend of labour, high or low, appeared to defend it, and the motion for expunging the Committee's recommendation was carried unanimously.

CHAPTER XI.

THE ATTACK ON LONDON.

The City and its Provinces—Store to Wholesale Society—The Metropolitan and Home Counties Association—Another Central Agency—The C.W.S. comes to London—Progress of the Branch—Years 1862–81.

GEORGE Jacob Holyoake, like Charles Dickens, was a writer of provincial birth who knew his London better than most Londoners, and Holyoake has described some hindrances to co-operation in the metropolis. In a factory town there may be little to distract a man from the plodding work necessary to a successful store, whereas a hundred and one diversions upon the surface of life in London will combine to make co-operative trading seem a very drab and pitiful back-street affair. Together with the size of the capital, and the lack of common industrial interests among its workers, this may explain London's long record of failures. A full history of metropolitan co-operation would be extensive and peculiar. From the days of Owen and the London Co-operative Society of 1823, societies innumerable and of every possible variety have sprung and withered on this stony ground. If the Oldham co-operators of 1860 had any special contempt for a metropolitan propagandist they would assail him with the jibe of "Why dussn't tha tayah thi own folk?" Teachers and leaders there were in London and to spare; the trouble was to find the followers, especially when it came to buying.

There is, however, another London than that of Fleet Street and the Strand, the City and Westminster. Riding in or out of the capital by any of the railways that run above street levels, you see these other districts spreading far and wide, with packed multitudes of houses, streets of shops, and even factory chimneys, like Manchesters or Birminghams. These are the provinces of London. Economic walls of rent and prices part them from City and West End and middle-class suburbs, or separateness comes with special industries. A community of interests exists in many of these areas, distinct almost as those of provincial centres. The very bigness of London ends at

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last in creating towns and villages within an urban county. This development has taken place particularly within the last fifty or sixty years, and during this time endless attempts have resulted in certain of these districts now being represented by large and stable societies. The new movement began after the renaissance of co-operation in the North. Tidings of the Lancashire and Yorkshire successes were spread over the London hinterland by the metropolitan leaders, with the result that the list of co-operative societies published by the *Co-operator* for June, 1862, included 28 London societies, albeit they possessed between them only some 3,400 members, and their previous quarter's sales amounted to less than £8,000. When districts were not sufficiently united the bond of community was found in temperance organisations, in working men's clubs, or in friendly societies. In one case a society was formed in the City, chiefly by employees of wholesale houses—"which will afford us an opportunity of purchasing in the first markets." In another instance a society "on the plan of the Rochdale Pioneers" was conceived by "several members of the bookselling trade in Paternoster Row." More promising attempts began among railwaymen, particularly at King's Cross, Paddington, and Waterloo. These workers were in a position to obtain first-hand information of industrial co-operation in Manchester and Leeds, Gloucester and Swindon, Plymouth and Reading. The Civil Service and Army and Navy Supply movement is separated from democratic industrial co-operation by its principles and methods and the class to which it appeals, yet by the storm which it aroused in the seventies, and the criticism it brought to bear upon the then mountainous London prices, it served to advertise co-operation, both for possible adherents and sure enemies. Even the clergy, most long suffering of mortals (in the persons of ill-paid curates), eventually attempted a Clergy Co-operative Association.

The London store movement rapidly went on from its A B C to the contemplation of federal wholesale trading. A correspondent of the *Co-operator*, John Allen, of Paddington, raised the question in October, 1861. He outlined a "Co-operative Wholesale Store" for London and the country. From Hackney Road another correspondent replied in Napoleonic fashion, stating that "I am about starting a Central Co-operative Union to manufacture and purchase wholesale for all the stores who will join." A *Co-operator* of December, 1862, announced that "six societies at this end of London" (Prescott Street) were forming a wholesale bakery.

Outside the Walls.

Of course, if this is carried out, it will be the prelude to buying other goods upon a large scale—forming, in point of fact, a central store for the supply of each society.

The "City Industrial" in the same issue reported extended trade and a contemplated establishment of a wholesale department. A few months later the secretary of an Islington Society, William Freeston, wrote that—

A Co-operative Wholesale Agency in London would be a very great boon, especially to those societies who will be so foolish as to commence operations with a paltry capital. We began to purchase our goods from a flourishing brother society, but they charged us 5 per cent commission.

The feeling represented by these various projects and attempts led in 1862-3 to the establishment of the London Association for the Promotion of Co-operation. Mr. F. W. Jones was the secretary, at 59, Britannia Street, City Road, E.C. Vansittart Neale and Professor Newman at once joined as honorary members, and John Stuart Mill soon after expressed his sense of the value of such a society for London, "and possibly for much more than London." The secretary stated that what had been done in the North of England the London working men would do; therefore, the association would immediately apply itself to forming a wholesale depôt and agency on the plan of the North of England C.W.S., as well as a co-operative flour mill and bakery. Through the efforts of the new organisation the Metropolitan and Home Counties Co-operative Purchasing Association commenced business early in 1864. Nine societies became shareholders, and premises were taken at Eastcheap. But by the end of the first year half the capital had been lost. Three years of subterranean existence followed, with headquarters hidden away at 9, Bell Yard, Doctors' Commons. This courageous humility sufficed to redeem the losses, and in 1868 the association was able to emerge and claim wider support. It organised a conference, which was held under the chairmanship of Thomas Hughes, then M.P. for Lambeth. Delegates attended not only from London but from places as wide apart as Thetford (Norfolk) and Windsor, and a vote of confidence was secured by the association.

But very shortly a larger movement arose. Following an abortive first conference, various leaders and influential friends of co-operation again were called together in London by that member of the old guard, William Pare; and in consequence, on May 31st, 1869, the first of the present series of Co-operative Congresses was opened in

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the theatre of the Society of Arts, John Street, Adelphi. Concurrently, a co-operative exhibition was held at 337, Strand; and, together with Congress discussions, this resulted in the Central Co-operative Agency coming into existence, practically to continue the exhibition as a permanent depôt at the same address. It was, of course, the second association to bear the name, the first C.C.A. being that of 1850-52, already described. Besides acting, like its prototype, as an emporium for the manufactures of productive societies, the agency endeavoured to direct the co-operative provision trade of the South to the North of England C.W.S., which acknowledged the goodwill by a subscription.

One result of the agency was to make it still more clear that the means of London and Southern Societies were insufficient to create any real effective federation. This had been foreseen by Mr. Joseph Croucher, of Kew, and others, who had urged Southern co-operators to support the North of England Society rather than attempt a separate institution. At its best the Metropolitan and Home Counties included only some ten societies and dealt with no more than forty. For the Central Agency, the manager in his first report recommended merging it in the North of England C.W.S. A Congress resolution to this effect was carried; yet the Congress of 1871 found the agency still in separate existence. That the Wholesale should be asked to extend was felt by some Wholesale leaders rather as an injustice than a compliment. The grievance was the one with which we are now familiar. "The North of England Wholesale has done well," it was said, "and, therefore, everything is placed upon it." So a reconstruction of the London institution was announced at the Congress of 1871 by the manager of the agency. While still preferring that the C.W.S. should undertake the work, the promoters would provide a Southern wholesale society and something more. In addition to a London depôt for co-operative productions, a Manchester branch of the "manufactured goods department" was foreshadowed, as well as a department which "may develop itself into a complete system of 'labour exchange.'" A list of sympathisers was given who, between them, had taken up five hundred shares of £1 each in the new association. The names included a French count, three members of Parliament, a colonel, two managing directors, a firm of publishers, and the roll then tailed off with the building society and trade union secretaries. Considering that the new association was to be "on the general model of the North of England Wholesale Society," this sounded

Brokers and Merchants Oblige.

like the fantastic days of pure Owenism, especially when the agency report told the Congress of 1872 (April) that a co-operative exhibition in Russia was contemplated, and that a certain Baron Poerio, in Naples, would probably become a coadjutor in the international exchange of co-operative manufactures. What actually came of it all was the registration of the agency as a joint-stock company, with E. V. Neale as chairman, and the taking of premises for retail as well as wholesale trade at Castle Street, Oxford Street, W. Incidentally, £100 was paid to the previous manager as "goodwill." Yet even so much did not preclude the agency from applying to the Wholesale Society privately, in May, 1872, to be taken over as a branch. The Wholesale Committee decided to let the application "stand over for the present." In August of the same year a loan of £400 was sought from the C.W.S., but this was declined. The agency, therefore, struggled on. Its trade at the time of Congress of 1871 was reported as amounting to "about £3,000 a year," but for the year 1873 it reached £15,148, and showed a small profit.

The cause proceeding slowly, it was now the turn of enterprising spirits. And out of a conversation at a London Conservative Club "an association of brokers and merchants" arose, for "the promotion of honest co-operation." The quoted words are from the circular which they sent to co-operative societies. These were no theorists. They meant business, and at once. The support of societies was solicited for wholesale trading "on better terms than through the medium of any wholesale agency." The association, for its own knowledge, had previously sent out copies of a statistical form, which has been preserved for us by the *Co-operative News* of March 22nd, 1873. Afterwards a representative went down to Manchester, and while in the city confidently attempted the conversion of the editor of the *News*. But this was a fatal step. The editor did not rise to the idea that London co-operation was a foolish thing, and London co-operators a poor lot. On the contrary, the commercial man learned for the first time of a co-operative system different from the civil service type. Two leading Wholesale men, dropping in, freely added to his information. This unexpected discovery apparently quite upset the association of brokers and merchants, for nothing more was heard of their scheme.

Normal development continued its course. At the C.W.S. Quarterly Meeting of February 15th, 1873, Mr. E. O. Greening moved that the Wholesale Committee be requested to consult by deputation with the Central Agency and other societies respecting a London

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branch. No dissentient voice was raised; and in due course (April 7th) Messrs. Crabtree, Mitchell, and Whiteley were cordially welcomed in London by a body of forty-five delegates, together with Messrs. Ludlow, Hughes, Morrison, Neale, and Greening. A business of £49,000 was promised, and, while the small capital of the Southern Societies was a difficulty, the deputation upon its return gave a hopeful report. One fact was that, branch or no branch, the Wholesale Society itself would require ultimately a buyer stationed in London. The Quarterly Meeting of May 17th empowered the Committee to go forward and "establish a branch if they deem it practicable." In consequence a second conference was held at Franklin Hall, 30, Castle Street, W., on August 2nd, 1873. The main point in the further negotiations lay in a claim by the agency for such payment on account of goodwill as would enable it to be wound up without loss. The C.W.S. Committee had no desire to continue in the West End premises of the agency or anywhere near them, and on this and other grounds the claim was disputed. Eventually the purchasable stock of the agency was taken over, and in February, 1874, a sum of £250 was also paid to the C.C.A., "in consideration of their giving up the wholesale business." Meanwhile premises had been taken backing on America Square, at 118, Minories, E.; and, after some futile advertising for managers of the right kind, Mr. B. Jones had been sent up from Manchester to take charge, with Mr. W. Openshaw as assistant. Doors were opened for business early in March, 1874, and on the 28th of the month a quarterly conference of the Southern co-operative societies, attended by sixty delegates, was held in the warehouse of the branch.

The short and simple annals in co-operative history do not belong to the poor. Where everybody is agreed and everything prosperous there is little story to tell. The periods of struggle and controversy yield the full narrative. Long in coming to birth, the London Branch had difficulties to face unknown to its sister of the North. Of the capital invested not more than one-half came from its own area of London and the Southern and South-Western, South Midland, and Eastern Counties, the remainder being supplied by the general federation. Of twenty-one societies which welcomed the Wholesale to London in 1873, only ten were in existence less than two years later. The first complete quarter, April 13th to July 11th, 1874, showed net sales of £21,725, against £95,419 for Newcastle and £369,183 for Manchester. The whole

The Attack from Within.

dividend accruing for the quarter to societies in the district was less than £154. An excellent summary of the position of the branch was given in the *C.W.S. Annual* of 1880. The outcry against civil service co-operation was at its loudest. Notwithstanding the prestige of the C.W.S. in the markets, some large London firms would have nothing to do with the Wholesale. Inside the branch the costs of distribution were high because orders were small and societies scattered, and the average of prices paid was low. The flour trade of the branch was slight. Home baking, so common in the North, was and is unknown in London; the ovens do not admit of it. Yet co-operative bakeries then were rare, and outside London the Southern societies drew their flour supplies from their own agricultural districts. To keep the branch stocks fresh and at market prices was not easy. Particulars of other obstacles were not given in the *Annual*, but it may be added that many societies, having grown up in isolation, were no less distrustful than ignorant of federal action. A representative of the branch visited one committee from whom ready help might have been expected. He talked them into friendliness, and considered his case prosperous until he got to business. Then a peculiar smile of scornful contempt spread over the face of the chairman as he closed all further discussion with: "Oh, Mr. ———, we can go and buy stuff in London quite as well as you can." It needed years to persuade some societies to come from behind their walls and speak with their own servant in the gate. The lighter side of a troubled existence was found amidst the everyday details of the business in relation to London carters and London police. The conditions of these bodies of men have changed in forty years hardly less than the branch itself, and there is no disrespect to a bygone generation in saying that some of its individuals helped to make life interesting for the few employees of this intrusion from the provinces into the Minories. Under all these circumstances it became almost a habit for at least one of the chiefs of the tiny band to get the last Manchester despatches into the G.P.O. just before midnight, and plod home in the wake of the last 'bus.

A committee of seven members for the London Branch was elected previously to the general Quarterly Meeting of December 19th, 1874, and, under the chairmanship of Mr. Clay, of Gloucester, the branch held its own Quarterly Meetings thereafter. Coming from places perhaps a hundred miles from London, the travelling expenses of Committee-men were considerable, and even in 1879

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these had to be minimised by the local governing body "meeting as seldom as the interests of the branch will allow." A protracted sitting upon one such occasion produced at a late hour a necessity for refreshments. Putting their heads together, the employees present managed to secure penny rolls, with borings from the cheese cellar, and water to wash the meal down. Fried bacon and eggs was a real promotion. Fifteen to thirty delegates attended the Quarterly Meetings, which were held in the coffee-room of a little hotel close by.

Certain societies were conspicuously loyal to the branch from the start. Banbury has an indisputable first place on this roll of honour; Gloucester and Oxford were strong supporters, and Chipping Norton, Wisbech, and others proved substantially loyal in proportion to membership. A second Co-operative Congress in London and a Congress in Gloucester stimulated the Southern movement. Later on—from 1878—a "Guild of Co-operators" rendered service in the London area, and the *Metropolitan Co-operator*, a monthly record under the conduct of Mr. Openshaw, which appeared from 1876 to 1897, was a useful pioneer. Altogether by 1877 the trade of the branch had reached a total of over £200,000 a year, and extensions were considered. In the following year the capital drawn from the district, which was £8,000 merely in October, 1875, amounted to £14,142. Land was now bought to the extent of 1,900 square yards of freehold at the price, including the buildings on the ground, of £18,000. This area forms part of the present Leman Street site, and here fronting Hooper Square and Rupert Street was erected the first part of the present block of warehouses. On Saturday, July 19th, 1879, attracted by streamers across the street, a typical Jewish Whitechapel crowd walled in a body of one hundred and twenty co-operative delegates, and waited either for the music and rites or the preaching of this strange new sect. When J. T. W. Mitchell took off his hat and made his sonorous voice heard they concluded (with some regret) it would be preaching. It was, however, the laying of the foundation-stone of the new warehouse by the author of *Tom Brown's Schooldays* under Mr. Mitchell's chairmanship, and with the support of Neale, Lloyd Jones, Holyoake, Hodgson Pratt, and other London leaders. Outside the Wholesale, trade depression had reached its lowest depth, and Hughes, also recalling the failure of a pioneer productive effort which he had helped to establish almost on the same ground in 1852, dwelt upon the

Housed at Leman Street.

“solemn responsibility” of being “trustees for the savings of the poor,” and the “fierce and reckless competition against which this building will be a protest.” Eighteen months later, on Wednesday, January 12th, 1881, the new warehouse was formally opened by J. T. W. Mitchell “amidst the ringing cheers” of two hundred buyers and representatives. The programme of this festal day included an exhibition of co-operative productions, a luncheon, storekeepers’ conference, and tea.

With the new facilities the boot trade of the branch, already considerable, was developed, and the drapery and furnishing trades were entered. The policy of the Branch Committee in 1880 was that of “gradually teaching the societies how to extend from one trade to another, and, while so extending the co-operative system, to extend the trade of the Wholesale.” The huge extension of the store movement in the South since then, and the remarkable growth of the branch during the same time, evidence a thorough carrying out of the policy both in letter and spirit.



THE C.W.S. LONDON BRANCH PREMISES IN 1881:
HOOPER SQUARE AND RUPERT STREET, E.

CHAPTER XII.

WHICH RETURNS TO GENERAL AFFAIRS.

A Study of Rules—A Change in the Chairmanship—Irish Butter—Cork, Liverpool, New York—The Origin of C.W.S. Insurance—Struggles of the Drapery Department—Furniture and Boots and Shoes—Years 1870-6.

A SUBSTANTIAL chapter could be written upon the evolution of the C.W.S. rules. Since the original adoption in 1863 eighteen different revisions and separate alterations have been registered. The first rules are to the last as the *cohippus* to the horse. Naturally some interesting details appear in the early laws of the Society. At the same time these were terse and business-like. One would look in vain for signs of the uncouth ruffian who until quite lately was the typical working man of *Punch*. Equally impossible it would be to find such curiosities as bestrew primitive co-operative statutes, exemplified by the following from the Ripponden rules of 1833:—

Any member causing any quarrel, so as to get to blows, or otherwise lay violent hands on the person of any member, shall forfeit five shillings, and be further dealt with as a majority at a general meeting shall determine.

The founders of the C.W.S. were of a later and less pugilistic generation.

In the first rules the name of the Society extended to ten words, and the object was adequately described in fifteen. To-day, the name consists of four words, while the objects demand two hundred and eighty. The situation of the first registered office, the provision for investments by societies above the then legal limit of £200, and the 5s. shares have already been indicated. It was then necessary for societies to accept one share for each member. The present rule is one £5 share for every five members. The mode of dividing profits was practically as at present, except that the powers of the Quarterly Meetings over each realised surplus are now legally more extended, while for some years separate provision has been made for distributing the profits of the banking department. Originally it was provided that the three chief officers should be elected by a general meeting held in May, and four committee-men

A Study of Rules.

similarly in November. We have noted that in 1867 the Committee was enlarged to nine members, and that in 1874 a General Committee was constituted of twelve directly-elected members and one elected from each of the Branch Committees—fourteen in all; while each branch was provided with a directly-elected Committee of seven persons. In 1874 also the modern system of nominating and voting by post began. Looking ahead, we may note that in 1883 the General Committee was enlarged to sixteen, and the Branch Committees to eight, but the latter still contributed directly from themselves to the general executive only one member in 1883 and only two in 1890. Not until the reconstitution of 1906 did the process of identifying the Branch and the General Committees come to its final and logical conclusion. Provision for divisional meetings also came tardily, as we shall see hereafter.

Attention has been drawn already to the strict interpretation after 1879 of the transaction necessary to the transfer of shares necessitated by the Act, which fully legalised co-operative banking. Passing to "depreciation," this charge as fixed by rule meant in 1863 simply that "the fixed stock shall be reduced at the rate of 10 per cent per annum." The rule was expanded with the growing business until it provided $2\frac{1}{2}$ per cent on land, 5 per cent on buildings, and $7\frac{1}{2}$ per cent on fixtures and ships. Other points of interest are of a lighter quality. In 1863 general meetings were fixed for five o'clock in the afternoon; after 1867 the hour came down to four o'clock, in 1871 to three o'clock, while after 1890 the time was left open. These changes illustrate the progress of the "Saturday stop." Again the original rules declined to let the auditors' signatures bind the members to any balance sheet containing an error "exceeding £10, discovered within one calendar month thereafter." In 1871 the auditors were trusted up to £100, and evidently so merited the confidence that in 1873 the rule was made absolute. Finally, some might discern a sinister purpose in one of the amendments of 1879—"to the word 'committee' add 'men'"—but, like apparent additions to male privilege subsequently made, it arose innocently enough simply because the English language is sometimes a little awkward to handle.

This survey of changing rules conveniently recalls us from the special developments of the bank, the branches, and the productive works to the general affairs of the Society. At the Quarterly Meeting of May, 1874, Mr. James Crabtree announced his retirement from the chairmanship of the C.W.S. and from the Committee.

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As committee-man he had taken office when the annual sales were about £100,000. They had reached half-a-million and over when he accepted the presidency in 1870, and he now bade farewell with the yearly turnover easily within sight of two millions. "An immense total," the *Co-operative News* styled it. "Viewed from the working man's standpoint, with little experience and only a few shillings to start the Wholesale with," said Mr. Crabtree, "it must be an admitted fact that it has been a hard, but well-won struggle." After reviewing the new developments, he continued:—

I take the liberty of pointing out to you the magnitude of the undertaking. . . . It will be important that you should forget all party strife, and go in for men of business capabilities, with just sufficient time to devote to its requirements, and then the future growth of the Wholesale will far outstrip the past, and in ten years from this let no man enter the regions of prophecy and predict what its limitations will be.

A resolution of regret and appreciation was proposed by Mr. Morrison, and an amendment for more substantial recognition immediately moved. In the result an illuminated address was decided upon. Three months later the address was presented. It testified to the "unwearied zeal" and "patience, temper. and tact" displayed by the late president, "which had never failed to obtain for him the goodwill of everyone present." Some twelve years later Mr. Crabtree for a short time again appeared on the Committee, while in 1913 he has the distinction of being the only person living whose official connection with the Wholesale reaches back so far.

He was succeeded in the chairmanship by J. T. W. Mitchell. The new leader took office quietly. The first meeting of delegates under his headship produced no comment upon the change. Yet his determination, his entire faith in the Wholesale as an instrument for the people's good, and his complete confidence in its taking charge of more and more irons in the co-operative fire already were recognised. One whose memory goes back to this period recalls how in a stormy meeting "he rose like a lion and would not be put down," and how from that day his leadership morally began. He had won appreciation also in a different way. At the Birmingham Congress of 1871 a delegate hotly attacked the character of the Rochdale Pioneers' Society, because of "want of sympathy" in a particular case. Mitchell replied quietly that there was another aspect of the case, but, concluding that the whole question was local and irrelevant, he would not be a party to further discussion. In

Butter—and Blarney

a footnote to the incident, Holyoake, as editing the report, said there was no doubt of Mr. Mitchell's ability to put the case if required, but it was not necessary, and the speaker "won the respect of Congress by the good sense of declining to go into the matter." The silent acquiescence in the new chairmanship indicated a selection too natural to be noteworthy.

The *Co-operative News* of May 23rd, 1874, neatly summarised the purpose of the Wholesale Society, which was:—

To bring the producer and the consumer together, to so organise labour as to produce for known wants, and to serve the consumer as nearly as possible at cost price on condition that he finds the necessary capital in the first instead of the last instance . . . it is really a *find*, and not an effort to him.

Steps in this direction during the years 1873-77 were made by the establishment of purchasing centres in Ireland extra to the three already existing. The present Liverpool buying and forwarding centre was also instituted, and, wide afield, an office was opened in New York. By this time the early and occasional subdivision of the General Committee into "Saleable Stock," "Goods," "Building," or other sub-committees had ended. There was a regular apportionment of the work between Finance, Grocery, and Drapery Committees, with the General Committee exercising ultimate authority, much as at present. A separate Committee for the productive works came later. From March, 1874, quarterly joint meetings of the buyers for the two Wholesale Societies—English and Scottish—were held, and much valuable action resulted.

During its first ten years the Wholesale Society grew fat on butter. This was the most important single article in its commerce, accounting for about one-third of the annual sales. The business was done in the summer and autumn. In 1869, for example, the April quarter's supplies were 806 firkins, compared with 10,430 for the July quarter. Only a strong liking for butter could have induced appreciation of the highly-salted, half-rancid, five-months-old substance of February or March. Ireland was the source of supply, with France and Holland just beginning to find the new market. Danish butter was unknown. Mr. W. L. Stokes, in the *C.W.S. Annual*, has quoted a British Consul at Copenhagen who wrote in the seventies that he could get no decent butter to eat! The successive openings of the Tipperary, Kilmallock, Limerick, Armagh (butter and eggs), Waterford, and Tralee buying offices through the years 1866-74 proved the alertness of the Wholesale

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Committee in getting the best possible butter direct from the producers during those months when the farmers chose to make it. By 1870 the Society had become the most considerable exporter from Ireland, albeit the trade was controlled in their spare time, or in time granted by retail societies, by a committee of working men, who for the most part had never seen the sister isle.

The chief centre for Irish salt butter was, and is, Cork. The butter market of that city was established by charter in the eighteenth century. Yet, while extending in Ireland, the Wholesale Society was cautious about setting foot in Cork. There was evidence in the failure of other English firms to prove that nothing but disaster would ensue. When the Committee began to show determination in 1875, the head of the firm of receivers and exporters which supplied the Society came over from the neighbourhood of the blarney-stone to exhibit all his figures. "He did not want to lose our trade, and would leave it for us as honourable people to say what remuneration he ought to have." The net result was a concession by the merchant that saved the C.W.S. £300 a year. But the Society received complaints of short weights, the reason of which subsequently appeared. In the course of a general investigation two C.W.S. buyers were sent to Cork, and they found that an agent could gain an advantage by buying cheaply at certain seasons, and selling stored butter as fresh. Shrinkages from the original weights duly marked on the casks explained both the trick and the complaints.

The Scottish Society joining forces with the C.W.S., a special committee meeting at the end of 1876 resolved on an establishment at Cork. The previous agents at once came out as resolute competitors for the trade of co-operative stores, and "two organised cliques" did their best to keep the Wholesale out. On the other hand, the C.W.S. buyer (Mr. W. H. Stott) met few of the anticipated obstacles to entering the name of the Society upon the roll of the Cork Exchange. The real difficulty was otherwise. In all its business operations the most serious impediment to the Society has come from an inevitable limitation in its territory. Even two million co-operators do not constitute the whole community; and it sometimes happens that the Society cannot supply its own organised market at first cost without receiving goods for which the demand lies outside. So it was at Cork. In getting first-class butter the C.W.S. buyers were obliged to take inferior qualities also, and these were troublesome to dispose of. Nevertheless, the success of the Cork business exceeded expectations from the first.



THE U.W.S. GENERAL COMMITTEE IN 1875.

Back Row: Wm. Bates, Robt. Cooper, J. Pickersgill, Hy. Whiley, Humphrey Atkinson, Hy. Pumphrey.
Front Row: Wm. Barnett, R. Allen, J. T. W. Mitchell, Wm. Johnson, T. Bland (standing), H. Jackson (J. Stansfield absent).



THE C.W.S. NEWCASTLE BRANCH COMMITTEE IN 1875.

H. R. Bailey (Chief Clerk), Jos. Patterson, Thos. Pinkney, Ephraim Gilchrist.
J. Steel, Humphrey Atkinson, Geo. Dover, Jas. Wild (Manager), R. Thomson.



THE C.W.S. LONDON BRANCH COMMITTEE IN 1875.

Fredk. Lamb, T. E. Webb, Wm. Strawn, J. F. Goodey, B. Jones (Manager).
Hy. Pumphrey, J. Clay, Geo. Hines.

Liverpool to New York.

A "Cheshire branch" that we hear of during these years represented the beginning of the present system of a buyer from Balloon Street obtaining supplies of cheese direct from the farmers of that county and its borders. The Liverpool branch arose from delays at Liverpool in forwarding goods transhipped for the C.W.S. at Manchester, as well as from general necessities. The success of stationing a buyer, sample clerk, and errand boy on the Mersey side led in 1877 to the purchase of land in the port. From Liverpool to New York was an almost obvious journey. The Committee simply announced that "since the return of Mr. Kay (the senior grocery buyer) from America we have deemed it essential in the interests and trade of this Society to establish a branch at New York." And while this was to the *Co-operative News* "a great, although a pleasing surprise," the development proved too natural to arouse the slightest comment at the Quarterly Meetings. The American office, under Mr. Gledhill, was established in 1876, and in December of that year the Committee reported that—

The importance of having opened the New York branch is daily experienced. We are thus enabled to ascertain the state of the market for cheese, bacon, lard, and grain, both there and in Liverpool, almost at the same time, and thus are enabled to determine when we can purchase with advantage.

While the grocery trade of the Society was thus extending its geographical reach, it was also leading up to a beginning, the importance of which had only recently made itself felt. In thick weather, before dawn on June 21st, 1873, the s.s. *St. Columba* struck on the formidable line of rocks and islets outside Holyhead known as the Skerries. The vessel was a cross-channel iron paddle steamer, crowded with passengers, chiefly Irish harvestmen. Some of the latter, unhappily, were drowned, but the brief reports in the press of that day left it uncertain as to whether five, fifteen, or twenty lives were lost. Cattle and sheep were on board also, and butter worth £2,300, consigned by the C.W.S. in Ireland to the Rochdale, Oldham, Eccles, and other societies. Part of the vessel, fast on the rocks, remained above water; and, in consequence, some £900 worth of this cargo was recovered. A claim for the remaining value hung upon another claim by the owners of the lost cattle; and the latter issue was leisurely disputed in court, higher court, and House of Lords until 1878, after which the societies received another £1,270. All this simply constituted an incident; but it caused the Committee to recommend the creation of an insurance fund for the Society. It was proposed to debit every package of Irish butter

The Story of the C.W.S.

with 1d., and every thousand of eggs also with 1d., and the produce from America and elsewhere at ordinary charges. The proceeds would go to the fund, which was to be started with £2,000 from the reserve fund. The Quarterly Meeting of August 16th, 1873, despite some friendly questioning by Dr. John Watts, agreed. By September, 1878, when the Committee had to remind delegates of ancient history, "the Marine Insurance Department" had accumulated over £13,000. When, in 1879, the s.s. *Constantine* collided and went down in nine hundred feet of water with nearly £600 worth of C.W.S. Danish butter on board, the monetary loss was made good by the fund as an ordinary matter of business. Subsequently other risks were covered, and greater accumulations resulted, with the ultimate result that the C.W.S. has come to undertake every form of co-operators' insurance.

In these days, when flour must be as white as linen and as fine as silk, and even a pound of peas come clad in a fancy package, there should be no inherent difficulties for co-operative societies in the most abstruse regions of the drapery trade. Circumstances were different in the ruder times of the Pioneers. Hence, although they started early, they proceeded slowly. Mr. Robertson, in the admirable history of the Rochdale Pioneers written for the Rochdale Congress of 1892, tells how the selling of draperies by modern co-operators began in 1847 through a piece of spoiled lilac print being thrown upon a working calico printer's hands. James Smithies, "who had always an eye for business," suggested that the committee might dispose of the piece of print in the store, and so recover for a colleague the sum of which he had been mulcted. This course was taken and proved successful. In 1849 the business so commenced had become a regular department. But it was decided "that they should not provide a stock of fancy goods—'bobby-dazzlers'—to tempt working men's wives to indulge in unnecessary expense."

The Oldham Industrial Society, which dates from 1850, opened its first drapery (and boot and shoe) shop in 1859—and one man supplied either clogs or silk as was demanded. The Wholesale Society was established for nearly ten years before it undertook the general drapery trade. As we have seen, the first beginnings were with blankets, while the selling of boots and shoes preceded the supplying of drapery. The first long step was in 1873, when the Committee reported to the May Quarterly Meeting that various purchases of land, warehouses, and cottages in Garden Street and

Difficulties of the Drapery Departments.

Dantzic Street had been made, at an outlay of about £15,000. They had advertised, also, for a general drapery manager. Alterations and extensions of the Balloon Street warehouse were already going forward. Difficulties over rights of light in respect to the Dantzic Street building resulted in further purchases. Simultaneously the warehouses in Newcastle were under construction. Meanwhile, some trade was done, the business beginning in June, 1873. For the last quarter of 1874 the drapery sales amounted to £6,000 for Northumberland and Durham, and £15,000 for all the rest of England.

The Committee hoped for better results, since many productive societies were "looking to us as the medium for the sale of their produce." From early in 1874 a separate drapery (and boot and shoe) sub-committee was in existence; and the very full and detailed reports entered from week to week in their early minute books show how diligently they applied themselves to their task. On June 15th and 16th the new warehouse at Manchester was opened, with all the pleasant pomp and circumstance of societies' buyers and committee-men attending, inspecting, and dining with the Wholesale Committee. It was announced that the Wholesale Society had become sole agents for the Lancashire and Yorkshire Productive Society—the substantial part of which defunct association still exists in the C.W.S. Littleborough Flannel Mill—and agents also for the Leeds Woollen Manufacturing Company. Other societies of the kind were dealt with soon after. In the early months of 1876, with the Waterloo and Thornton Street warehouse of the Newcastle Branch in occupation, the prospects of the combined business were hopeful. But the years were in the chilly autumn of the trade cycle. Co-operative drapery and kindred departments, dealing almost entirely with working people, are notoriously the first to feel a trade depression, and the last to benefit from a revival. Notwithstanding warnings from the Committee, the Manchester drapery manager had increased his stocks steadily. He had deemed the larger stock essential; while in some cases it was added to purely out of sympathy with the difficulties of productive societies. Now, with the Newcastle warehouse also holding goods, the Manchester equipment proved excessive. Depreciation on the new buildings, warranted by the prosperous times just ended, added to the burden.

For the sake of greater efficiency, the management was divided between departmental heads. Joint working with the Scottish Wholesale Society in regard to drapery goods was satisfactorily arranged. Another step was to send out travellers. Although

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some old co-operators disliked thus following in commercial footsteps, the departure had proved necessary. The nature of the goods they were dealing with (demanding something more than the submission of a list to societies) had obliged the C.W.S. managers to face a certain amount of travelling, and naturally this tended to interfere with their other duties. The first traveller was sent out from the drapery department, primarily to represent the manufactures of the productive societies in 1877. But neither these steps nor changes of management sufficed at Manchester to avert successive losses. For the last quarter of 1876, while Newcastle showed a small profit and expenses of 11d. in the £, Manchester expenses were 1s. 3d. per £, and the loss £392. "Until our customers purchase more than 3s. 6d. per member per quarter," said the General Committee, "we shall have to report loss." The actual case was worse, for only about half-a-dozen societies, led by Dewsbury, Halifax, and Eccles, were above that average, and many were nowhere. Later in the year the tone of the Committee grew mournful:—

We are precluded from doing a trade with others than co-operative societies, and if they forsake us what must be the result?

"The neglected, ill-used drapery department"—so Dr. Watts alluded to it in the *Co-operative News*. However, the general business of the Society during the third quarter of 1877 yielded unusually large profits, of which prompt advantage was taken. A dividend was paid of 2d. in the £, which absorbed £6,075; £1,129 went to wipe out bad debts, and £4,757 to a special depreciation of the drapery stock, with a view to a clearance of old goods at reduced prices. One way or another the stocks were brought down from £74,000 to £48,000. These prudent and energetic measures had the reward they deserved. In June, 1878, the Committee said:—

It is quite a relief to our anxiety, and a pleasing reward to the exertions both of the societies and ourselves, to be able to report such an increased trade, fair profits, and a greatly improved condition of the stocks, both as to value and amount.

Although trade then decreased slightly, the department successfully endured the hard times of 1879, and with the great development of the London as well as the Newcastle Branches it reached in 1880 a thoroughly safe position. After all, the entire net loss from the start of the department until September, 1880, was simply £4,800, and the Society had in return a business all the stronger for its nursing.

Wearinesses Long Forgotten.

Of the week-to-week trials of the Drapery Committee in these years we have said nothing. On one occasion they had to face a contempt of C.W.S. goods and prove their worth, which they did after an investigation "anything but comfortable and pleasant." In another instance the trouble lay in a considerable claim from an outside firm for goods supplied, of which they knew nothing until too late. Or they were called upon to act as private detectives in exposing cases of pilfering, and, now and then, benevolently to decree that the policeman who caught a burglar on the premises and injured his boots should have another pair "from our stock," or (sternly) "that notice be given to the boy in our employ to leave." Incidentally, no doubt they learned something of "the economy of high wages," and certainly of having employees who understood the relation of the Wholesale to the societies, and whom they could trust.

However, we may pass over wearinesses long forgotten by the flesh, and conclude by noting how another business grew out of the boot and shoe department as a younger sister to the drapery. It began with iron bedsteads, and continued with brushes, domestic ironware, and furniture generally. In July, 1876, this was made into a separate department. The development naturally was slow, but fairly steady. Meanwhile the boot and shoe department, freed from its somewhat odd child, and now under the charge of Mr. Henry Jackson, who had served from Halifax on the C.W.S. Committee, also made better progress. The buyer and his assistants were able to devote themselves to a trade that was growing not only with the London and Newcastle Branches, but also with the progressive C.W.S. Factory at Leicester.

CHAPTER XIII.

LEAN YEARS AND CRITICAL DAYS.

A Process of Hardening—Newcastle Failures and Financial Straits—Co-operative Collieries—Reckoning Losses—The New Determination—Years 1876–81.

GHOSTS and wraiths, spectres and shades of things half-forgotten necessarily must give such substance as they can to this chapter. The Ouseburn Engine Works, the Industrial Bank, the paper companies, the Eccleshill, Main Coal, Spring Vale, and Bugle Horn Collieries, the building and productive societies that failed—such apparitions haunt the period through which this narrative is now due to pass. Notoriously the outlining of incorporeities is not easy. To deal with cheerful, substantial objects like the C.W.S. Bank or the Crumpsall Biscuit Works is a lighter task. But the existing developments which originated in the years 1877–80 are few. They include the Cork Dépôt, of which we have heard, the shipping department, with the *Plover* (1876) and the *Pioneer* (1879), of which more will be told in another chapter, and certain seaport and Continental dépôts that came with an increasing overseas trade. The Heckmondwike Boot Works also dated its existence from 1880. It was the first new venture after the period of retrenchment, as the extensions of 1876 at the Leicester (West End) Boot Works marked practically the last of the series of additions following the previous period. Apart from these, the forward movements of the time were confined to purchases of land around the Manchester headquarters and at Liverpool. But the latter acquisition was re-sold, the Committee putting it on record in 1877 that, “considering the present condition of our funds, we deem it inexpedient to commence preparing plans for a warehouse.”

A fit memorial of the time is not any active business, but a ruin such as might have held the attention of Dickens. Half a mile from the centre of Newcastle the road and railway to North Shields are carried by separate viaducts over a deep hollow. The span of the roadway forms the Byker Bridge. Steep banks fall

In the Valley of the Ouseburn.

away from the extremes of this viaduct to a little tidal river in the depths of the valley. This is the Ouseburn. An old, humble stone bridge crosses it, connecting the decaying thoroughfares that straggle up to the fine new highway. Standing on this little bridge one sees the broken walls and desolate arches of what was once a foundry. The stream, between muddy banks, upon which outworn keels lie rotting, curves around its idle wharves. Bounding the empty weed-grown yard on the eastern side is a derelict Foundry Lane. Here is all that remains of what was once the Ouseburn, and afterwards the Tyne Engine Works. The foundry was in other hands after, as well as before, co-operators held it, and merely the buildings may have been abandoned. But abandoned they are. The vaulting roadway, with its electric standards, carries the traffic of the city over and away. Not far off the sirens of steamers are heard on the busy Tyne, but the shallow Ouseburn is now a profitless creek. Cottages round about that once housed mechanics and artisans have become common lodging-houses and marine stores. Two or three men, too old for the modern workshops, stand forlorn at the street corners, or wander aimlessly across the little, disused bridge. You speak to one of them.

"Aye," he replies, "that was the engine works. I knew the timekeeper there. He lost £50."

The dismal valley seems to represent the trough of those years, and the strong viaduct, with its many piers united for one purpose—the federation that carried more than one society safely over the time.

The engine works was an outcome of a prolonged strike of Tyneside engineers in 1871. The battle was for a nine-hour day, but the agitation had been badly met by the employers, and their contempt was also a grievance. Dr. Rutherford not only threw all his great influence upon the side of the workers, but got hold of the Ouseburn Works, and organised an engineering society to employ strikers on the terms for which they were fighting. Northern and Yorkshire co-operative societies took shares and loaned money, and individual and worker shareholders completed the society. Dr. Rutherford frankly confessed that he knew nothing of engineering and had no liking for commercial life, but he was made both chairman and managing director. To obtain more capital he founded the Industrial Bank also, and, since the works produced excellent engines, initial losses, while the money came in, could be treated philosophically. When the Congress met at Newcastle in 1873 the delegates

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were entertained to a breakfast by the Ouseburn Company. This, and the spectacle of the works as it was then, with its five hundred employees, added oil to the fires of enthusiasm. Co-operative production was the main subject of the Congress discussions. A paper by Dr. John Watts was read by Nuttall; but its quiet insistence on the soundness of the federal system paled ineffectually when, through a subsequent paper, Ludlow (himself absent) was heard to say that of the two principles in man "consumption is primarily the animal element; production the divine."

At a later period, when the divinity of the idol had been tested, the unlucky influence of the Newcastle Congress was indicated very definitely by Mr. John Thirlaway, of Gateshead, the then secretary of the Newcastle Branch Committee. His remarks, made at the Newcastle Quarterly Meeting of May 28th, 1881, were received with cheers, and not afterwards challenged; and he said:—

One of the greatest causes that had brought about these losses was the Co-operative Congress held in Newcastle in 1873. At the Congress, co-operation was in the background and individualism in the ascendant. Resolutions were passed which gave such a wide definition to co-operation that nearly every company in the land could be admitted on making very little alteration in their rules. The result was a whole crop of companies being called into existence, and a number had got connected with the Wholesale, and large losses had been sustained as a result.

This, however, is putting the moral before the story. Very soon after the Newcastle Congress troubles arose at Ouseburn. A loss of £10,000 was shown; also, a hundred men and boys went on strike. The position seemed to improve later on, and the *Co-operative News* was able to spend a column in praise of the works having achieved "thorough success, commercially and practically." But the report on which the encomium was based, like the famous premature account of Mark Twain's death, proved "greatly exaggerated." There were concealed losses, which, in 1875, had to be confessed. In spite of the copartnership principle, public quarrels ensued between a committee of discharged workers and the management. In November, 1875, the works failed. Liquidators were appointed, and a reconstruction attempted. The effort was fruitless. Outside creditors pressed for a realisation of assets. In August, 1876, it became necessary that the large co-operative societies interested should take immediate action. The Halifax and the Wholesale Societies were chiefly affected, while Heckmondwike, with two or three other Yorkshire Societies, had lent considerable sums. The representatives of these organisations met in conference, and, owing

The Industrial Bank Fails.

to the refusal of certain other societies to join, and to "the continued hesitation of the Industrial Bank," they decided to purchase the whole concern for £26,000, to retrieve an equal amount already at stake. The remaining creditors received, ultimately, 1s. 3½d. in the £. Under the name of the Tyne Engine Works the business was kept going by its new owners through the bad trade of 1879, being helped in 1878 by an £11,000 contract for the s.s. *Pioneer*; but in 1881 it was sold for £23,000. The creditors were paid in full; and the shareholders received 5s. in the £. The Wholesale Society's loss was about £8,000, a larger sufferer being the Halifax Society.

Naturally, the first Ouseburn failure, in 1875, was disastrous for its financial partner, the Industrial Bank. In September, 1876, a transfer of the latter enterprise to the C.W.S. was under arrangement; and the Wholesale's bank manager went to Newcastle to mediate between the C.W.S., the Industrial Bank, and some northern societies. On October 5th, 1876, the draft agreement for the transfer was being considered by the C.W.S. Finance Committee. They had just decided that the terms of the Industrial Bank could not be entertained, because "contrary to the spirit of previous resolutions," when a telegram dramatically announced that the northern bank had stopped payment. It was at once resolved to open a branch of the C.W.S. Bank at the Wholesale's Newcastle offices, and to acquaint the northern co-operators. Some of the latter were almost panic-stricken. Cramlington Society was less badly hit than Conssett and Blaydon, but the Cramlington jubilee history narrates that, out of a capital of £26,000, the society had £10,531 locked up in the Industrial Bank at the time of its closure. The Wholesale Society was doubly affected. It had to face a sudden withdrawal of retail societies' loans while meeting equally urgent applications for overdrafts.

And the Wholesale Society itself was in a difficult position. Yielding, as the bankers of the movement, to the spirit of expectation, it had allowed substantial overdrafts to unsound, and largely unco-operative, companies in other places than Newcastle. These concerns banked with the C.W.S., and their applications had been excellently supported, and securities given. Productive societies, also, had turned to the Wholesale for funds. One of these, which afterwards went into liquidation, at one time applied for £1,500 on the security of goods valued (by the producers) at £2,000, which were to lie in the warehouse of the C.W.S. until redeemed! When the Committee declined to make Balloon Street the pawnshop

The Story of the C.W.S.

of the movement, rumours got abroad of shameful unfriendliness towards productive societies. However, the serious trouble was that more than two dozen businesses, more or less co-operative or profit sharing, had obtained substantial overdrafts from the Society, and few of the debtors could promptly reduce the loans when now called upon. Under this stress the Society had to temporise with its London bankers, and Mr. Mitchell journeyed to the capital to arrange the carrying over of a £50,000 debit balance. It was of this period that Mitchell spoke on June 18th, 1881, when he confided to the delegates that "the Wholesale Society, at one period of its history not very long ago, was in very great straits." The chairman further told of £10,000 being needed to pay accounts, of nothing more to be had from the bankers, and of an urgent personal application for the amount being immediately met by the Rochdale Pioneers' Society, Heckmondwike helping additionally. That the C.W.S. was in real danger must not be supposed; but it was certainly and for the moment crippled in its proper work. Special instructions were given to the C.W.S. buyers in all departments "for the present to purchase only from hand to mouth," and "under no circumstances to make large purchases without the consent of the General Committee." Retail societies desiring overdrafts to build new premises and extend the regular store movement had to be told that "we have ceased allowing overdrafts, but rather are calling them in."

This was in 1876-7, and with two or three more years of trouble ahead it was fortunate for the stores federation that its constitution, rules, and methods secured to it such great reserves of strength. With retrenchment and a cautious attitude the situation quickly became easier. We have seen that late in 1877 the Society was able to relieve its drapery department to the extent of £4,700; and the subsequent colliery and other losses, £32,000 of which was written off in one quarter of 1881, were thorns in the flesh, but not daggers in the body. And, as soon as the position improved, the first and most legitimate functions of the C.W.S. and its bank were immediately resumed. Thus the Leicester Society, whose application had been declined in January, 1877, subsequently were allowed a £5,000 overdraft. In April of the same year this was increased to £10,000, which enabled the Leicester co-operators confidently to face a threatened run. An overdraft reaching to £5,500 was allowed to at least one Northern society, while in the hard times of these years a very considerable leniency became possible towards the societies of the Newcastle district generally. Their overdue accounts with the

More Unfortunates

Wholesale amounted to £14,000 in 1878, and to nearly £20,000 in 1879. Meanwhile, the small London societies, that continued to rise and fall, received a consistently considerate treatment.

In September, 1878, a mysterious request came from a comparatively small Lancashire society for a deputation from the Wholesale to visit them. When Mitchell and Greenwood went down, expecting some moving appeal for help, they were called upon instead for assurances as to the financial stability of the C.W.S. Luckily for the entire co-operative movement, the chairman and the bank manager were in a position to leave their interrogators "perfectly satisfied." The local committee decided that "they would not press to have their shares transferred."

In 1876 the conduct of the Wholesale Society towards the Industrial Bank and the Ouseburn Works formed the subject of a special conference held in Newcastle on November 25th. Fifty representatives attended from twenty-seven societies. After some plain speaking by Mitchell it was unanimously decided:—

That this meeting exonerates the directors of the Wholesale Society from any blame in connection with the Industrial Bank and the Ouseburn Engine Works, and considers their action just and right.

But the Committee now had other problems to face. Among the debtors who returned unsatisfactory replies to requests for the reduction of overdrafts were the Rochdale, Withnell, and Marron Bank paper companies,¹ the Union Land and Building Company,² the Main Coal and Cannel Company, the Spring Vale Colliery and Works, the Eccleshill Colliery, and the United Coal Company owning the Bugle Horn Colliery. To give a detailed history of the first four or five of these unfortunates would be tedious. They all came to the C.W.S. by the same road, and they all had a share in the £32,000 wiped out by the federation in 1881. In each case the facts of their rise and fall have been patiently set forth by Mr. Ben Jones in his encyclopædic *Co-operative Production*. The colliery companies, however, have a special claim upon our attention.

¹An account was opened also, in 1876, with the Union Paper Works, of Rochdale. This venture also failed, but not until 1894. The property stood in the balance sheet at £100,000, but the amount realised by the assets was insufficient to cover a first mortgage of £16,120. The C.W.S. had lent £12,366 on a second mortgage, every penny of which was lost. The Society had received in interest £8,373 since 1876. At the Quarterly Meetings of June, 1894, the account was described from the platform as "a blessed legacy for the present directors," who, however, "were not preparing such legacies for their successors."

²The C.W.S. Longsight Works stands on land that came to the Wholesale Society through this company, the names of whose promoters are still borne by streets in the locality.

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The switchback of trade in the seventies reached, perhaps, the highest and lowest points in the coal industry. The extraordinary Continental demand for railways and machinery about 1871 stimulated iron and steel production, and a vastly increased demand for coal arose from forges and furnaces as well as from chemical works. New railways, new steamships, new engines also cried out for coal, and, since Britain as yet was almost the only European producer, the supply lagged behind. The beginning of 1873 witnessed a "coal famine." From 18s. the coal of the poor went up to 30s. and 35s. a ton. A Warwickshire coal merchant was reported as being so besieged by orders that he had sold his last available ton by auction, and realised 42s. 6d. The *Manchester Guardian* of February 14th, 1873, printed a short leader that, with the alteration of not more than half-a-dozen words, would have fitted perfectly the columns of half-a-dozen London newspapers during the coal strike of March, 1912. A Select Committee of Parliament sat in 1873 to investigate the "famine." Since colliers' wages had risen from a general average of about 4s. to 8s. per day, while fewer hours were being worked, they were freely criticised. But on their side it was urged that vastly greater sums had been received by owners and dealers. At least two miners' unions supported this belief by forming co-operative mining societies, to work mines for their own and the public benefit. In his chapter on "Colliery Failures" Mr. Ben Jones has recorded that, under the leadership of Mr. Burt and Dr. Rutherford, the Northumberland miners did so; and the South Yorkshire and North Derbyshire Miners' Association followed. Various groups of individual miners in Scotland, Yorkshire, Nottinghamshire, and elsewhere, sometimes with and sometimes without the official support of strong retail co-operative societies and the Northern Section of the Co-operative Union, also bought, at enhanced prices, mines which, in one or two cases, the owners were only too glad to sell. Unluckily, nearly all the companies were in the position of backing last horses at the moment of the winners reaching the post. The profits had been secured; the "boom" was descending to a "slump;" and new comers in a depressed market could be no match for old firms fortified by recent gigantic gains. One company realised this, and disbanded without action, paying 19s. 6d. in the £, but great sums were lost in all other cases.

Among the many efforts more or less lamely on foot were certain ventures which sought assistance from the C.W.S. A "South Buckley Coal and Firebrick Company," confidently promoted by

Spring Vale and Bugle Horn.

Mr. E. O. Greening, made applications which fortunately were declined. In a "Main Coal and Cannel Company" the Wholesale lost comparatively little. An "Eccleshill Coal Company" began as a purely private business, and afterwards induced the Darwen Co-operative Society to enter. The company obtained overdrafts from the C.W.S. up to £7,500, and eventually mortgaged properties jointly to the Wholesale and the Rawtenstall Societies. Further losses occurring, in August, 1878, the C.W.S. engaged a mining engineer to report upon the possibility of the mines being worked by the chief mortgagee. The report was that the property never could be profitable under the royalties it had to bear; and, after some unfortunate litigation with the royalty owners, the assets were realised, and the best made of a £10,000 loss to the C.W.S. A "Spring Vale Colliery Company" also had its mine and brickworks at Darwen. The company was promoted about the beginning of 1874 by a then prominent C.W.S. buyer and others. Like the Eccleshill mine, this concern fell entirely into the hands of the C.W.S. in March, 1880. During the following three years it was worked by the Wholesale Society, with results that varied in their degrees of disappointment. Here the colliery was very small and merely fed the fires of the brickworks. The business left the C.W.S. poorer by some £9,000. A special committee of 1879 made close inquiries into the relations of the C.W.S. and the Eccleshill Company. While reserving opinion as to the wisdom of certain actions, the committee reported that "we have no evidence of any undue influence having been used by any person or number of persons." The Wholesale's solicitors, while regretting the "extraordinary losses," declared them due to "no fault of the Society."

The last on the list is the sadly-remembered Bugle Horn Colliery. On August 2nd, 1873, a conference of co-operative societies around Manchester was held to consider the production of coal, and out of this a "United Coal Mining Society" issued. It was a federation of societies and individuals, characteristically designed to pay 10 per cent to capital first of all, and to divide the remaining profits between capital and shareholders' custom. The new society secured its promised gold mine at Hindley Green, near Manchester, and began raising coal (and more capital) and incidentally producing losses and explaining them away. In September, 1876, the C.W.S. Committee declined to honour any further cheques presented by the mining society; but two months later the Wholesale joined the Bolton Co-operative Society in lending equal sums of £10,500 each on

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mortgage. The Bugle Horn Colliery had absorbed £46,000 in all, when, during August, 1877, E. V. Neale wrote of the mining society, in the *Co-operative News*, as "slowly, but surely, winning its way to a successful issue." He was misled; for in April, 1878, "desperate financial straits" drove the society into bankruptcy. The Wholesale and the Bolton Societies were called upon to take possession. They agreed to work the mine until it could be sold, the Wholesale accepting sole risks. Although supposed to produce excellent house coal, the mine yielded mainly an inferior engine fuel locally known as "burgy." The C.W.S. coaled the *Pioneer* with it, and offered it to manufacturers with whom the federation did business, but was unable to gain any real profit. In March, 1882, after the Bugle Horn colliers had participated in a general strike of Lancashire miners, the mine and loose plant were sold for a sum amounting in all to £6,081. The net loss to the C.W.S. reached £20,000.

No bitterness, however, was shown towards the Wholesale Society's Committee. Delegates realised that the blame was not individually theirs; and, indeed, they were ready to hail with positive cheerfulness "the last notes from the Bugle Horn." What they were determined upon was that in future the Wholesale Society, with its bank, should follow the path of legitimate co-operation. They had the courage to reject a resolution which expressed this feeling too narrowly. They refused simply to limit advances to distributive societies and federations of societies. But, while leaving the Committee's hands untied, they meant the Society to be more than wary of competitive businesses promoted by "co-operators."

Before concluding this chapter it may be useful to supplement the remarks of Mr. Thirlaway previously quoted. It was not merely a resolution of the Newcastle Congress which caused the mischief, but the darkened counsel and confused mind of the co-operative movement throughout the whole period. Thus when Ludlow eulogised production at the expense of consumption he introduced a fallacious moral distinction into what happened, in this case, to be a matter of economics. Both consumption and production may be either "divine" or "animal." Mari Jones trudging twenty-five miles eager to buy a printed Welsh Bible was technically a "consumer;" as the builder of the grim machine which in France owed its introduction and name to Dr. Guillotine was certainly a "producer." Again, "consumers" may be either smokers of opium (grown by producers) or lovers of craftsmanship encouraging

The Root of the Evil.

workers to better efforts. Or, much more generally, they are simply mothers with children to feed, or trainloads of people going about their businesses, or citizens of all degrees wanting coal—in short, everybody, high or low. What superiority there is in the consumer is simply economic. He it is who creates and determines demand; and he, alone, justly may exorcise competition. Working from demand to supply—that is to say, from human need to human satisfaction—co-operation has to recognise this economic priority. But the great world of competitive industry has developed under the idea of making speculatively and fighting for a market; and, largely for this reason, all the high organisation of factories and offices and “selling forces” cannot save capitalist production from being a series either of feverish or dismal adventures.

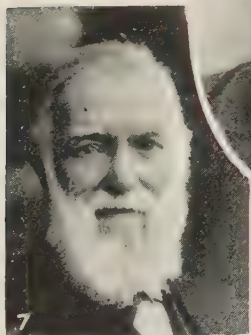
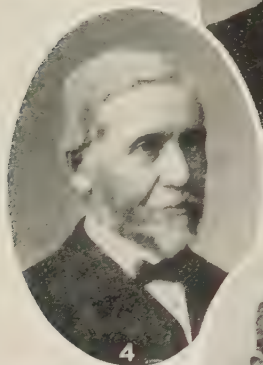
Simply on its economic side, this difference between the method of the store movement and the system of capitalism is radical, and amidst the commercial fever of 1873 a clear comprehension of it was especially necessary. Yet the little group of educated, eloquent, disinterested men who commanded co-operative opinion failed in just this particular. Their fear of the Wholesale Society going its own way, and their preconceived idea of self-employing groups of workers (toiling in the manner of the village blacksmith) stood between them and reality. Meanwhile the times were too tempting for many of the working-class co-operators around them. Men fell to seeking personal independence and comfort through the formation of joint-stock companies. The fever was infectious. Even members of the C.W.S. Committee were perilously mixed up with ventures that came to the Wholesale for money. As private persons, of course, one and all had the liberty to do what they chose. The evil was in the cloaking of private profit making by co-operative righteousness. A regard for men as co-operators was stretched to cover those instances in which they acted simply as individual profit seekers. Ordinary company promoters, provided they flavoured their concoctions with a spice of profit sharing, found themselves able to borrow names of co-operative honour. So the entire movement drifted from the idea of supplying the demand of organised consumers. Even Dr. Watts was persuaded into a directorship of that disastrous promotion, the Cobden Mills. Nobody knew where co-operation began or where it ended.

Under these circumstances the lot of the C.W.S. Finance Committee was not easy. It was impressed upon them that the C.W.S. were the bankers not merely of the store movement, but of

The Story of the C.W.S.

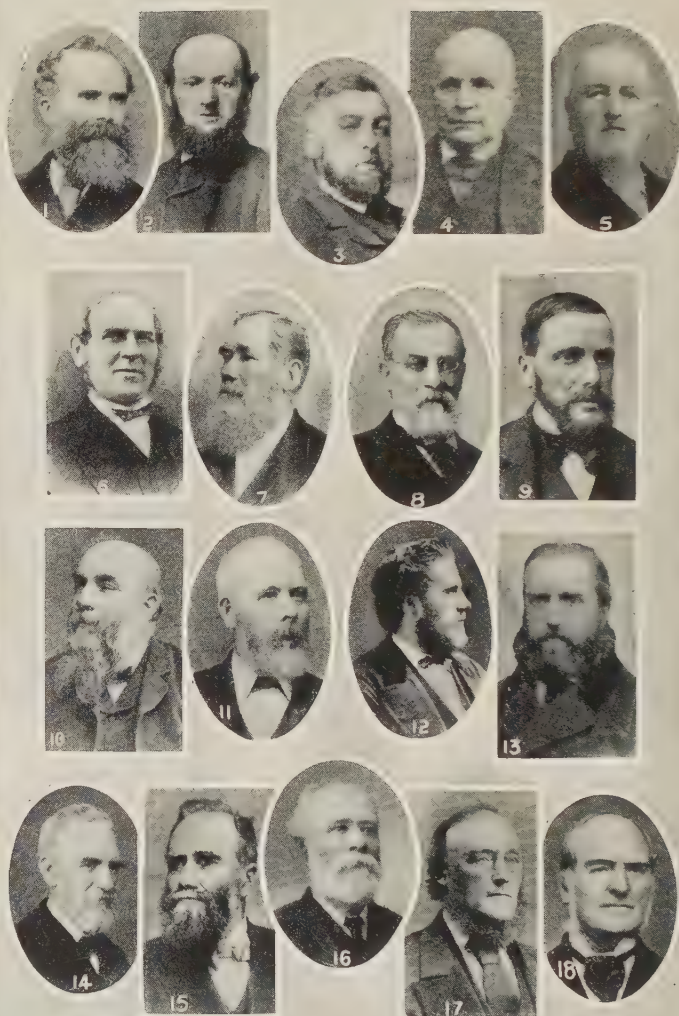
this quite unlimited sphere. Democracy, which is essential to organisations of consumers, is decidedly a hindrance to speculative profit making, and the C.W.S. Committee were members of a democracy. They could not harden their hearts like commercial bankers; they were bound to consider the opinions and the sympathies of many. This affected them when it came to the dilemma either of dishonouring cheques meant to pay wages and meet difficulties which were always "temporary," or of adding to overdrafts already large. They suffered by such bounden friendliness in that minority of cases where the masters of sinking ships, rather by weakness than intention, went behind their promises to the C.W.S. by giving preferential securities to more exacting creditors.

In 1878-9 the C.W.S. was not twenty years old, and its turnover showed the first of the only two decreases in fifty years. It fell off slightly from a total of little more than two and a half millions. The sums we have named need to be seen in proportion to these facts. Seventy or eighty thousand pounds in this relation would be equivalent to three-quarters of a million nowadays. However, we need not make too much of the matter. If we add the losses of Mr. Walter Morrison to those of Hughes, Neale, Ludlow, and others of their circle, they would go far toward matching the C.W.S. total. Again, as it was pointed out in the Committee's favour, the collieries worked by "practical miners" produced more disastrous results. Many an unsuccessful strike has been more costly than the three groups of losses taken together. It was quite worth the amount to the C.W.S. to have a course made clear for the future. Failures were less dangerous than successes might have proved. The blessing was only disguised. Moreover, as J. T. W. Mitchell (who of all men had least need of co-operators' absolution), in his large, good-hearted way, reminded the Quarterly Meetings—to err is human; to forgive divine.



PAST MEMBERS OF THE C.W.S. COMMITTEE.

- | | | |
|---------------------|-----------------|----------------------------------|
| 1. Robert Allen. | 2. Wm. Barnett. | 3. John Butcher (present day). |
| 4. John Stansfield. | 5. Titus Hall. | 6. Henry Jackson (recent photo). |
| 7. Thomas Hayes. | 8. R. Whittle. | |



MORE PAST MEMBERS C.W.S. COMMITTEE.

- | | | | |
|----------------------------------|------------------|----------------------------------|---------------|
| 1. J. Thomasson. | 2. T. Sutcliffe. | 3. R. Holgate. | 4. B. Hague. |
| 5. T. Shorrocks. | 6. J. Whiteley. | 7. J. Fishwick. | 8. J. Thorpe. |
| 9. W. Johnson. | 10. Hy. Whiley. | 11. J. F. Brearley. | 12. J. McNab. |
| 13. J. Pickersgill. | | 14. J. J. Beach (London Branch). | |
| 15. G. Fryer (Newcastle Branch). | | 16. S. Taylor. | |
| 17. J. Swindles. | | 18. W. P. Hemm. | |

CHAPTER XIV.

RENEWALS OF STRENGTH.

The Eighties—Caution and Suspicion—The *C.W.S. Annual*—The Leeds Saleroom—Depôts and Deputations—The Heckmondwike Works—Mr. Woodin and the Tea Department—"Coming of Age"—Hughes bids Farewell—Years 1880-4.

IN the last chapter, which, curiously, happened to be the thirteenth, the *C.W.S.*, as a means of supplying working-class homes, was almost lost to sight. During the decade upon which the Society had now entered this aspect again emerged. The history of the eighties is, in the main, a plain story of progress in the unromantic but necessary region of wholesale mutual trading. "Man is a spiritual being," said E. V. Neale at the Derby Congress of 1884, "and it is impossible for him to be enthusiastic about the price of tea and coffee." If the latter clause really follows then we are threatened with a dull period. Except in the shipping department, where a hard fight was made for the realisation of a dream, as is told in a later chapter, the ten years had little of obviously direct effort towards that "raising of the moral relations of man" about which, Neale believed, "we can be enthusiastic." It was for the Wholesale Society a time of consolidation. Depôts and salerooms were opened one after another. Manchester, Newcastle, and London became linked by a chain of lesser stations. In these district capitals warehouse was added to warehouse, and in London the Wholesale took its tea business into its own hands—all in the interests of enabling co-operative stores to supply everybody at first cost.

A similar story could be told of the co-operative movement generally during 1880-90. The period began with the Co-operative Congresses discussing the religious issues that had stirred English people in the seventies; it ended with papers on the relation of co-operation and socialism, and Mr. Sidney Webb stating ideas that were to influence practical politics ten or fifteen years later. Except

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for the profit-sharing and co-operative productive controversies to be described in Chapter XVIII., the intervening years of transition were occupied with quiet seed-sowing. Lloyd Jones in 1882 prophesied a "junction" of trade unionists and co-operators, "against which no power would be able to stand," and a practical result of this feeling was the existing Joint Committee of Trade Unionists and Co-operators, to arbitrate in disputes, and, as originally designed, to promote a mutual understanding and further co-operative production. In 1882 co-operators went to Oxford, and Arnold Toynbee, Mr. A. H. D. Acland, and others joined forces with suggestions for educational progress. Internationalism grew with visits and return visits by English and French co-operators, and a Committee of Foreign Inquiry, and a suggestion by M. de Boyve (in 1889) for an International Co-operative Alliance. Further, in 1883 the "Women's Guild for the Spread of Co-operation," afterwards to become the Women's Co-operative Guild, was founded by Mrs. A. H. D. Acland and Mrs. Mary Lawrenson of Woolwich, an important and significant beginning.

In the general sphere of working-class life also the eighties on the whole formed a quiet period. Although broken by the riots of the unemployed and the Trafalgar Square bloodshed of 1886, there existed a calm before the breezes of the New Unionism in 1889-90. On the economic side during the earlier eighties money wages were nearly stationary, but prices fell almost continuously, so that real wages steadily and even rapidly increased. The statistics of Mr. G. H. Wood show this conclusion after allowing for unemployment. In the middle eighties the out-of-work distress came near to equalling the sharp severity of 1879, while prevailing for a longer period. Throughout the decade the merely poor were becoming more and more divided into poor and very poor. The skilled workers, who availed themselves of co-operation and trade unionism, discovered an increasing margin between the cost of sheer animal necessities and the purchasing power of their wages. The railway companies became aware of the greater spending capacity, and cheap trips multiplied. The unskilled and casual labour classes, on the other hand, were left behind, and largely out of touch with the two great people's forces. A missionary spirit in the co-operative movement, working both in town and country, since then has made the gulf much less wide than it threatened to become, and in this it has been aided by the industrial organisation of labourers, and the idealism that quickened

Caution and Suspicion.

with the rise of the modern socialist movement. Concerning the immediate political issues of the time, those are faint echoes of Bradlaugh, and Fenianism and Egyptian wars which float to us through the atmosphere of the co-operative records.

The trade recovery of 1880 had an immediate effect upon C.W.S. returns. For the first quarter of that year the Committee reported an increase of 26 per cent, which up to that time was "the largest increase in business that has ever taken place in any quarter of the Society's existence." The increase over the whole year was little less, being 22 per cent. This brought the annual sales up to three and a third millions; but the confidence of many co-operators did not show an equal elasticity. The agitation revived for separating the C.W.S. Bank from the federation. Previously it had been urged that the trading departments endangered the bank. Now it was said that the bank might ruin the trading departments. The separatist movement invaded the Quarterly Meetings, and a committee of five (Messrs. Crabtree, Mitchell, Swann, Tutt, and Rule) was appointed thereat to investigate and advise. The report, which was in favour of putting the bank under the control of a special committee separately elected and making other changes, was referred by the Society to the C.W.S. General Committee on October 7th, 1882, and it ended in certain internal financial adjustments and the enlargement of the general governing body.

The delegates were willing to believe in the ability of their executive to control both trading and banking, yet were not inclined to overmuch faith. By 1882 the C.W.S. Bank had accumulated a large surplus credit balance with other bankers. In consequence of the low interest on this floating capital, the profits of the C.W.S. Bank were reduced. The Committee, therefore, asked for power to reinvest £100,000 in Government or corporation stock or other "approved securities." The question was adjourned until the delegates at last said "No." In 1884 the sum thus lent to the competitive world for next to nothing had reached £200,000. This mistaken policy, of course, was ultimately reversed.

In minor matters the members of the federation were equally distrustful. The Society's accounts were keenly criticised during all the three or four years following. The Lancashire and Yorkshire Productive Society, which made flannels at Littleboro', had gone into liquidation, and J. T. W. Mitchell had agreed to become liquidator. In this capacity he obtained overdrafts from the

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C.W.S., but not without a subsequent inquisition. With the extension of the institution, journeys and deputations increased, and the expenses of the Committee mounted from 5½d. per £100 of sales in 1864-5 to 1s. 8d. in 1883. This, too, became a matter for hot debate. Mr. Crabtree even came out as a "reform" candidate for the board, pledged to prevent executive expenses growing at such "a fearful rate." And in 1885 a special committee overhauled the whole question of fees, fares, and deputation expenses. The still useful dining-room over the grocery warehouse in Balloon Street was opened in May, 1882, and a quarterly account following soon after of £239 for buyers' and other dinners provoked keen criticism. Some were aghast to find that the Committee, while shy of creating a smokers-room, yet were providing cigars and coffee, and actually spending 15s. a month upon cigars! Amidst the results of this exaggerated mood was one to be regretted. Loth to see many small distributive societies failing where success was deserved, the Central Board produced a scheme for aiding local effort experimentally in districts beyond the radius of successful societies. This being submitted to the C.W.S. Committee, won their approval, and a grant of £1,000 towards working the scheme was recommended. Only one vote went against the proposal in London, but Manchester rejected it, and Newcastle was still more unfriendly. The whole result gave 190 for and 184 against. With so small a majority the Committee declined to act, and, for the time being, the door was shut upon a possibility of the strong directly helping the weak.

However, the resolutions of these excessively cautious years were not wholly negative. To set against the decisions recorded there was a willingness to make enlarged grants for friendly and charitable purposes. Although not without opposition, different sums of from £100 to £300 were devoted to relieving, through co-operative societies, the want caused by various strikes and by unemployment. Distress in Ireland received £200. Hospitals, lifeboats, homes for the deaf and dumb, and other institutions benefited. From the time of the Indian famine of 1877 funds for the relief of special suffering were swelled by increasing contributions. Among gifts of comradeship was one of £10 toward the Trade Union Congress of 1882. When in 1883 Judge Hughes announced his intention of retiring from the co-operative movement, a fund was raised mainly to endow an Oxford scholarship in Hughes' name, and £300 in all was given in recognition of a warm-hearted friendship which, notwithstanding its candour, was none the less

The *Annual* Appears Before Princes.

abundantly generous. In other cases material interests were involved, as in a subscription of £1,000 in 1882, and further sums of £500 in 1883 and £500 in 1884, toward the expenses of promoting the Manchester Ship Canal. For similar reasons money was granted to oppose a bridge over the Humber, likely to impede navigation to and from Goole.

In 1880 the C.W.S. first issued its *Annual*. At first it adopted the simple device of buying two thousand copies of *Whittaker*, and binding its own additional pages. In 1882 William Nuttall was asked to edit the *Annual* as a special publication, and three thousand copies of a book of nearly six hundred pages were circulated in 1883. The cost was over £900, and this was duly questioned. The chairman's defence that the expense represented money spent by the co-operative community in its own service—and well spent—proved successful. In 1884 the *Annual* reached a record size of nearly nine hundred pages. This was considered a little too informative. On December 27th, 1883, William Nuttall sailed from Tilbury to settle in Australia, and the Committee decided that under the new arrangements the next issue should not exceed five hundred pages. It numbered few more, while including, for the first time, signed articles on social and industrial subjects. Among nearly twenty contributors were A. H. D. Acland, Thorold Rogers, Professor Marshall, Hughes, Holyoake, George Howell, Dr. Watts, and Messrs. Burt, Bolton King, and George Hines. In 1887 the "harmony and perfect good feeling" existing between the English and Scottish Wholesale Societies enabled the latter to share the publication. A copy of the first special issue of 1883 was sent to Queen Victoria, and another to Edward VII. as Prince of Wales, and both produced unexpectedly full replies. Sir Henry Ponsonby wrote:—

The Queen is glad to learn of the success of a movement which not only encourages thrift, but which also teaches the habits of business and promotes education among so large and important a body of her people.

By command of the Prince, Lord—then Sir Francis—Knollys wrote:—

I am further directed to assure you that the Prince has read with the greatest interest the details of the working of the Society with which you have supplied him, and he is anxious to express the extreme gratification which he experiences in finding that so large a body of the working men of this country are united in a determination to benefit themselves, both morally and physically, by endeavouring to carry out a scheme which his Royal Highness conceives is admirably adapted to raise the standard of their knowledge and

The Story of the C.W.S.

intelligence, and to increase their welfare and happiness; and, in stating this opinion, he feels very strongly that such praiseworthy efforts are deserving of the highest commendation and encouragement. He wishes your Society, therefore, every success, and he sincerely trusts it will continue to increase in prosperity in the same proportion as heretofore. I am desired, in conclusion, to add that the Prince would be very glad if, from time to time, you would be so good as to acquaint him with the state of the federation, and to inform him of the progress which you are making.

The diligent co-operators who thus stood before princes were not unduly elated, but a few private merchants grew very angry, and at once sought to acquaint Queen, Prince, and people with the true state of affairs.

We may now turn to the substantial developments of the period. In 1881 a movement arose for a branch of the Wholesale Society in Yorkshire. A conference of 115 delegates from 51 societies met at Wakefield on July 30th of that year. By a vote of 69 to 42, they asked for a Yorkshire branch. Put before the societies by the General Committee, the proposal was negatived on February 11th, 1882, by a large majority of their delegates. It was reported, however, in June, 1882, that for three years previously a C.W.S. representative had been attending at Leeds at first weekly and afterwards fortnightly, and meeting an average number of six buyers. Similar visits to Huddersfield had ceased, only three buyers responding to the invitation. Later in the year—in October—the Committee took the intermediate step of opening a saleroom in Leeds at 70, Wellington Street, ninety-three buyers and delegates from forty-two societies joining in the initial proceedings. The Leeds Saleroom still flourishes, but it is now established at Call Lane, in the Yorkshire city. Mr. Joseph Holden, the present grocery sundries buyer at Balloon Street, was in charge of it for many years, and to-day Mr. Wm. Pollard holds that post. Chiefly because of the Yorkshire societies, a forwarding depôt had already been opened at Goole. A Copenhagen depôt was established in 1881, and a similar purchasing and exporting centre at Hamburg in 1884. The Copenhagen Depôt emphasised the new and growing preference for Danish and Swedish butters over Irish. Continental flour¹ at that time also was largely purchased by the Wholesale Society. Naturally this did not please the societies interested in the English federal corn mills, although Mitchell explained that the C.W.S. could not otherwise satisfy certain constituents.

¹ See Chapter XXI.

Bootmaking at Heckmondwike.

In more than one of these developments the Scottish Wholesale joined. The Northern society shared also in a business visit of committee-men and buyers to America. It was this first transatlantic tour of committee-men, together with a trip beyond Hamburg, which aroused questioning. The cost of deputations, especially those sent out by civic bodies, is a stock subject of criticism and satire in all democratic circles. But the various business tours of its committee-men and buyers have been of great value to the Wholesale. Apart from the general knowledge gained, chance introductions, discoveries, and acquaintanceships have opened channels of regular supply, while the steadiness of C.W.S. trade, involving the repetition of orders satisfactorily executed in the first case, has reduced to insignificance the cost over numerous transactions of any initial prospecting. In the case of this American visit, the benefits and advantages of the journey echoed through many pages of the committee's minutes. They record how one detail alone had repaid the expense, and "they in Scotland were perfectly satisfied with this." If we are to accept a well-known estimate of Scots character this should have closed discussion.

Notwithstanding a change of management necessitated by Mr. Butcher temporarily quitting co-operative employment, the C.W.S. Leicester Boot and Shoe Works grew steadily. On May 31st, 1884, a second large extension was celebrated. The opening was preceded by "a substantial tea" and social evening, given by the Committee to the employees, and attended by nearly a thousand persons. During the proceedings the annual value of the supply was stated to have increased from £30,000 to £90,000. Yet already a second boot works had been established at Heckmondwike. This was for heavy bootmaking, of which Leeds is a centre. The Heckmondwike factory was leased in 1880. An ex-manufacturer, who (it was said) had renounced his own successful business in favour of the C.W.S., was appointed manager. It is not surprising, though rather melancholy, that a few months later this enthusiast was asked to resign. A new manager was found in the Leicester Works, but it was some time before the first profit was accounted. One loss incurred in 1882 remained from a strike. The dispute arose over the giving out of work. The men's union, however, declined to support the dissatisfied workers, and the strike fell through. Thereafter the Heckmondwike Works pursued a generally even and uneventful course of mixed profits and losses, with profits predominating. Competition with "garret-masters" or sweaters in Leeds was one

The Story of the C.W.S.

cause of unsatisfactory returns. But some Heckmondwike boots were beyond such rivalry. One pair, which used to be shown at C.W.S. exhibitions, as made for Northern ironworkers, formed a mass of steel and leather weighing 9lbs.

In the miscellany of this chapter we now come to one of the most interesting business episodes of C.W.S. history. During the experimental days before Samuel Ashworth's managership serious losses were incurred by reckless tea buying. Ashworth, with a rare knowledge of his own limitations, recommended that future buying be entrusted to Mr. Woodin, of London. The latter, accordingly, was visited in London by Abraham Greenwood, who was then chairman of the C.W.S., and an existing letter dated June 17th, 1869, states Mr. Woodin's terms for acting, in the first place experimentally. Mr. Crabtree, in 1877, writing in praise of this course, confessed that originally he had disliked it, Mr. Woodin being then unknown to him. But to the Lancashire men the friend of Neale and Hughes was no stranger. He had joined the co-operative movement of the Christian Socialists, and worked for the first Central Agency. He had attacked the prevailing practices of adulteration in tea before a Parliamentary committee, and, since the failure of the Agency, as a tea merchant had supplied many societies, including Rochdale, to the co-operators' entire satisfaction. The arrangements made with him in 1869 were closely reconsidered and "thoroughly endorsed" by the Grocery Committee in 1875. Two years later a special general committee meeting again discussed the business with Mr. Woodin. He had then embarked a capital of £25,000, and was employing thirty workers, practically entirely in the interests of the C.W.S. His gross profits, he said, amounted to about $\frac{3}{4}$ d. per pound. The Committee resolved to make no immediate change. But a general and steady decline in tea prices produced from 1878 an apparently serious falling off in the C.W.S. tea trade. New packet teas were coming into favour, and the competition of tea men who gave "presents" was being felt. Men arose who knew not Joseph Woodin; and strong criticisms were heard of the C.W.S. being "in leading strings," and not employing its own accumulating capital. The Newcastle Branch, which was already mixing teas itself, took a forward part. Mr. Woodin, on his side, stated that "he could not, after having occupied the position of a merchant so long, alter his position with the Society" by becoming simply an employed buyer. Hence, after a two hours' meeting in 1879, "conducted with very good feeling, especially on the part of Mr. Woodin,"

Mr. Woodin and the Tea Department.

a three years' notice was given by the C.W.S. to terminate the connection. Subsequently it was arranged that Mr. Woodin's two sons should become the chief employees in the new C.W.S. tea department, but they insisted upon an office within the City, which ended negotiations. Arrangements for taking over Mr. Woodin's employees and stock also broke down. Out of over a hundred applicants a buyer and manager was appointed (Mr. C. Fielding), and business was begun in the C.W.S. London Branch warehouses, Hooper Square, off Leman Street, on November 1st, 1882.

Co-operative history gives abundant room for cynicism concerning the motives and capacities of manufacturers and merchants who have professed to serve it. But all scepticism depends for savour upon the existence of a real goodness. If there were no actual experiences there would be no illusions, and the office of the critic would be gone. And Joseph Woodin remains typical of the many genuinely honourable men of business who, without professing to be entirely disinterested, have given frank, cordial, unsparing aid to societies and their federation. Nevertheless, the collective and the individual systems are separate, and every attempt to join them produces hybrid schemes merely. It was Mr. Woodin's fine personality which bridged the gulf until it became too wide. The Wholesale Society needed a nearer approach to the producer, a knowledge of net cost prices, and employees who would gather and transmit for use within the organisation the information necessarily arrested by an independent agent and his staff. Through its own tea department all this was gained. The progress that was satisfactory in March, 1883, was reported in June as "exceeding expectations." In July of that year a P. and O. steamer arrived with "a large direct shipment" of tea for the C.W.S. from China, a thing previously impossible. In March, 1884, the sales were "most satisfactory," and, although on the last day but one of 1885 a serious fire interfered with the business, the record remained one of increase. An additional advantage that came with the new department was a closer bond between the already co-operating English and Scottish Wholesale Societies. The first joint committee meeting of these national federations was held at Leicester on May 18th, 1882, and the tea department was the occasion of it. A partnership in the new source of supply had previously been agreed upon, and this association has since continued.

By September, 1884, the time had arrived for commemorating the "majority" of the Society. The annual trade of the Society had

The Story of the C.W.S.

reached four and a half millions, the profits amounted to £50,000 a year, and the societies then federated represented a constituency of half a million persons. The C.W.S. tale of millions had well begun, and some jubilation, it was felt, would not be out of place. Throughout the organisation preparations were made for celebrations in connection with the Quarterly Meetings at each of the three centres. Circumstances combined to make the Northern gathering the most picturesque. Some three years earlier, Mr. H. R. Bailey, of the C.W.S. Newcastle Branch, had suggested the presentation of a lifeboat by co-operators to the Royal National Lifeboat Institution. An appeal by the Congress had produced the cost of a boat (£650) and a balance (£250) toward a second. Accordingly the *Co-operator No. 1* was provided for the station at Cullercoats, near Tynemouth, and it was agreed that the presentation and launch should coincide with the Wholesale Society's festival. Councillor Youll, of Newcastle, contributed by lending the Tynemouth Aquarium for the day free of charge. Here, on the morning of Saturday, September 13th, 1884, the C.W.S. Quarterly Meeting was held, the delegates and visitors afterwards returning as far as North Shields to join the lifeboat procession. Arrived at Cullercoats, the boat was presented by Mr. Bland, of Huddersfield and the C.W.S. Named by Mrs. Bailey, it was then launched in the presence of more than thirty thousand spectators. Following the launch, nine hundred guests of the C.W.S. sat down to dinner; and four thousand people in the evening crowded into the Aquarium for music and speeches, albeit only the voice of Mitchell was equal to the occasion.

Less crowded, but none the less enthusiastic, proceedings marked the commemoration in London. Breakfast was served to the delegates at Leman Street, after which the Quarterly Meeting was held. At Tynemouth the seductions of the place had not abated any zeal for business; and in London the meeting continued until, at one o'clock, it became necessary to omit votes of thanks and send the entire meeting running, trotting, and violently striding over London Bridge for a 1-20 train and dinner at the Crystal Palace by a quarter past two. Music and an excellent meal rewarded the successful, as well as those who arrived by the next train, and speeches prolonged the gathering until six o'clock.

At Manchester the following week the usual general Quarterly Meeting was held, incidents of which were the admission of the Stratford (London) Society into membership, the reduction of interest upon loans, and the acceptance of the resignation of Mr. T. Wood

The Society Comes of Age.

from the accountancy, with the confirmation of Mr. Brodriek as his successor. After the meeting two thousand delegates and visitors, wearing commemorative medals, marched four abreast to the St. James' Hall.

"What's it all about?" asked one onlooker, as reported in the *News*.

"Why, co-operation," was the answer.

"Oh, money-making!" and, satisfied that he had compassed the whole phenomena, the inquirer turned away.

The Committee had designed that each guest should be served with a first-class meal in the hall, but the arrangements, although planned in detail, broke down in practice, and many had to take the will for the dinner. The Cymric wit of Lloyd Jones immediately turned the disappointment into a parable. "The dissatisfaction," he said, "came from the unfed. Now, this is just the fault in the world, so that we should never lose sight of the unfed."

While you were making a noise in one part of the room, we who had entered upon our second or third course were going on quietly and happily, and were bearing your misfortunes with that kind of patience with which men bear other men's misfortunes. I felt how happy I was, not because you were miserable, but that we were fed; and how necessary it is that we, who were doing so well, should take some thought for you, and should take care at these meetings that such a circumstance should never occur again. And if your emperors, kings, popes, and archbishops could all take into their hearts to insist on seeing that the legitimate wants of the world were legitimately satisfied, that kind of discontent would be unknown among us. The difficulty would be met, not in Manchester, Oldham, Rochdale, Leeds only, but everywhere. There are thoughtful men who are taking these things into their hearts, and who are saying that if the kings, popes, bishops everywhere will not lift up God's creatures to the enjoyment of His bounties, we will do it ourselves.

Other speeches came from Abraham Greenwood, Holyoake, Crabtree, William Maxwell, of the Scottish Wholesale, Joseph Clay, John Atkinson, of Wallsend, and others, while Neale presented a cordial address from the Central Board (Co-operative Union), the friendliness of which was reciprocated by Mitchell. What with music and the speeches, six hours passed before "Auld Lang Syne" brought the gathering to a close.

While at least one of the Rochdale Pioneers (Mr. Kershaw) was present at the Manchester celebration, some of the founders of and early workers for the Wholesale Society—Cooper, Smithies, Hooson, Ashworth, Edwards, Robert Allen, of Oldham, Henry Whiley—were before the minds of the company only as memories. A little later another link with the past was gently broken. Following the

The Story of the C.W.S.

Quarterly Meeting of December, 1884, the then Bishop of Manchester (Bishop Fraser) took the chair in the Balloon Street meeting-room, while Abraham Greenwood presented the author of *Tom Brown's Schooldays*, and Mrs. Hughes, with the watch and casket of jewels subscribed for in addition to the existing Oriel scholarship. Acknowledging the gift, the old Christian Socialist of '48, "the good Tom Hughes," bade farewell to active propaganda work in the movement, saying—

You have laid it down as the basis of your union that men are meant to be fellow-workers, not rivals; and that justice, and not the higgling of the markets, must regulate exchange; so that you have only put the Christian Socialist formula into different words meaning the same thing. . . . "Concert," if we must have a single watchword, concert is that word, to be set foot to foot against competition in every department of human life, never to yield an inch, but to stand as for the dear life till the battle is won. . . . I wish I could impress upon all the tremendous import for Great Britain of this battle. How long shall we remain at the head of the nations if commerce and industry continue in the old grooves? The critical time has come. One universal cry of distress is going up from every great trade and industry in the land. What is that cry? Surely, my friends, the strangest that ever went up from any great trading community. "Too much corn, too much cotton, too much labour, too much wealth," while two-thirds of our people are underfed, badly clothed, miserably housed. Power is rapidly passing into their hands. How long, with all their patience, can this state of things last?

After illustrating from current politics the principle of action by agreement and emphasising the need of enthusiasm and faith if the principle was to become triumphant over trade, that "citadel of competition," Hughes continued:—

Take my word for it, brother co-operators, or, rather, don't take my word, but take the word of all history, that no great cause was ever triumphant without these two—faith and enthusiasm. . . . Are we still men who believe in concert and brotherhood with all our hearts, and will go for them with all our might? If not, we may just as well fall out of the ranks. . . . With the trumpet tone of the advance of 1849-50 still sounding in my ears, I seem to listen in vain for the true ring in these later days. I have seen old comrades disappearing, and often their places filled by those in whom the electric spark had never been kindled, who neither believed, nor loved, nor hated as they must believe, and love, and hate who would win this battle. But then some article in our paper, some trait of devotion and self-sacrifice in our associations, has flashed out again and again to prove that, in spite of appearances, there are men enough left who never have bowed and never will bow the knee to Baal; and I would only implore these not to keep back their testimony in this solemn crisis in the labour movement.

Spoken in 1884, just after the close of the first period of C.W.S. existence, these great words ring none the less truly to-day. Hughes

Hughes Bids Farewell.

and his fellow-workers in the early Christian Socialist movement may not have seen their way clearly through economics. Time and again, like ancient heroes over whom a spell has been cast, they fought against rather than for the cause in which they believed. Concert, in its mundane embodiment, frequently struggled on assailed by its rightful champions. Nevertheless, in the sphere of ethics and of the spirit especially, the work of Hughes and his friends, in the criticism it brought to bear, and the traditions it established, left the co-operative movement and the working class through it permanently indebted. And now "my active work amongst you," Hughes concluded, "is a thing of the past. Well, it has been the work which I have felt through all the years of my manhood to be by far the noblest and most pressing to which a man could put his hand, in our land, in our day. Would that I could have served the great cause better ! May you prosper ever more and more in carrying on the flag."

While withdrawing from regular activity Hughes remained for many years in touch with the movement, contributing as the "Bystander" to the *Co-operative News*, and occasionally reappearing at Congresses, for the last time in 1895.



CENTRAL OFFICES, BANK, AND WAREHOUSES, BALLOON STREET AND GARDEN STREET,
MANCHESTER, AT THE TIME OF THE COMING OF AGE.

CHAPTER XV.

THE STORY OF THE SHIPPING DEPARTMENT.

An Old Ideal—A Beginning at Goole—The East Coast Trade—Garston and Rouen—The Manchester Ship Canal—Seamen and Passengers—Years 1874-1912.

A MEMBER of the committee of the Keyham Co-operative Society, James Pound by name, described in the *Co-operator* as the "leading man amongst the riggers in her Majesty's dockyard at Devonport," wrote to William Cooper, of Rochdale, in 1863, informing him of co-operative activity in Devonport since the year 1815. This early co-operation began with flour milling by the Union Mill Society. Walt Whitman was not more sure than the Devonport co-operators of "the amplitude of time;" for, said Mr. Pound, "we have the mills at Ivybridge for 1,000 years." In 1835 they extended their work by forming the Devonport Coal Association. Ten years later this consumer's movement had become strong enough to enter upon what proved to be an unfortunate course. "In 1845," wrote Mr. Pound, "we purchased two schooners of 200 tons burthen, to bring us our coal, whence arose the worse mishap that ever befel the society. We had to deal with roguish captains who took bribes. In 1850 one of the schooners was lost in the Bristol Channel, and only two out of a crew of seven were saved. With the money that we borrowed to purchase her, and the cargo of coals, we sank £2,300, besides owing the bank at that time £700 on the faith of the society; but the bank never refused us credit. . . . In five years we paid off all that debt." Replying from the Rochdale Pioneers' store, William Cooper observed, "Yours seems a more risky business than our ordinary co-operative stores, as we have no sailing craft. Where there is risk a reserve fund should be created or insurances effected to cover possible losses; and perhaps the instance of the loss of your society's schooner may be useful to the Wholesale Society, as no doubt if the Society prospers, sailing vessels will be employed or owned by the Society, to bring foreign produce across the seas."

Ideals and Realities

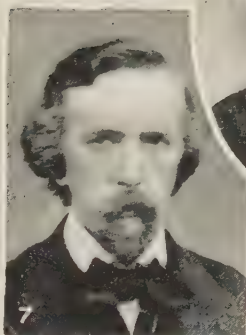
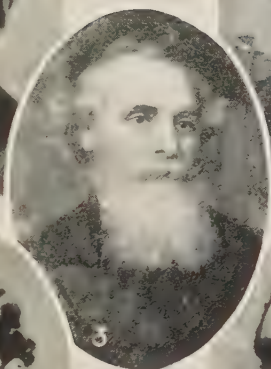
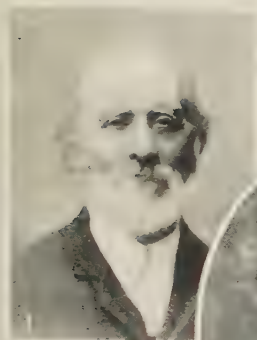
This correspondence, appearing in the *Co-operator* for October, 1863, when the entire substance of the C.W.S. consisted of a Committee, a registered book of rules, and a little money in hand, indicates shipowning as being, emphatically, among the old ideals. Indeed, as we have seen, ships floated upon the mental horizon of Jumbo Farm; while both earlier and later few enthusiasts neglected to picture laden vessels, under fair winds, on smooth seas, as a part of the scheme of wholesale supply. Where to find cargoes for the outward voyages did not trouble their minds; or, if the question arose, it was sufficient vaguely to mention co-operative production and export in general. Actually there was nothing in sight to balance the imports suitable for carriage by a limited service of small vessels. Yet, if oversea carrying is to be done co-operatively, and not as a matter of speculative trade, it is essential to have a steady supply of goods for co-operators on both shores needing transit in bulk. Now the store movement on the Continent is rapidly growing, and finding national organisation through co-operative wholesale societies, but it has not yet reached the point of international exchange. And, even then, those English railways which are in possession of their own boats, and sometimes of their own docks, enabling them to offer special through rates, will also enter into the problem. Hence the story of the C.W.S. shipping department is that of a conflict between ideals of co-operative steamships and international fraternity, backed by the solid advantages of combination, and the opposing realities of competitive rates, quicker routes, diversions of traffic to ports not convenient for C.W.S. boats, and superior bids for outward freights.

Matter-of-fact reasons led the C.W.S. into realising the idea of shipowning. In 1874 the Grocery Sub-Committee were concerned about the rates between the Continent and the Humber ports, and efforts were made which resulted in reduced charges upon freights from Paris and Holland. Two years later a further step was announced. The Quarterly Meetings of June 17th, 1876, were informed that the Committee had agreed to purchase the s.s. *Plover*, previously the property of a Goole shipowner, who had employed the vessel chiefly for the traffic of the C.W.S. The owner had wished to sell the boat because it was too small for profitable working, and at least one member of the Committee felt this as an objection to buying it. But he was persuaded that a larger boat, demanding more traffic from outside the C.W.S. to complete her cargoes, would bring the Society into competition with shipowners, and

The Story of the C.W.S.

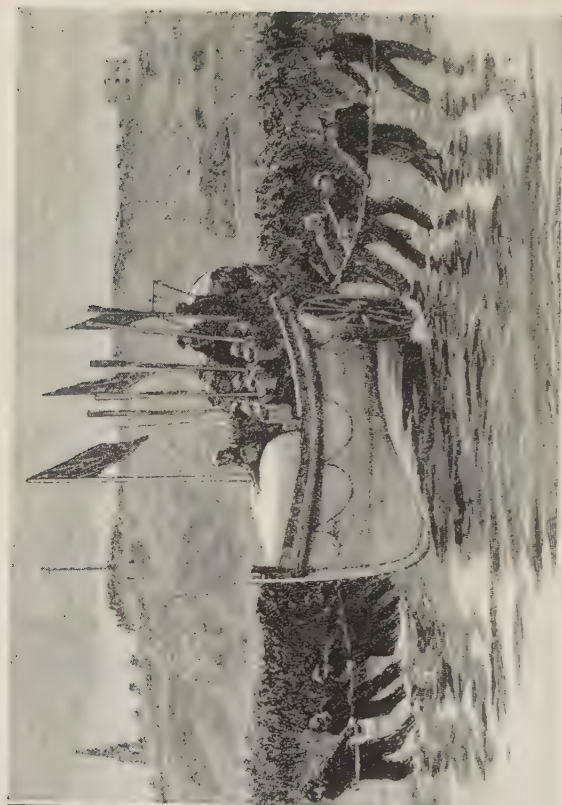
that the smaller one was "certain to pay." The tonnage of the *Plover* was 250, and the price £4,000. Loaf sugar, flour, and apples were expected to provide C.W.S. freight sufficient to load the steamer for eighteen voyages out of twenty-six annually, and, as a condition of sale, the vendor agreed to find outward cargoes of coal for twelve months. A profit of £6 to £10 weekly, after providing for depreciation and interest, was confidently expected. The *Co-operative News* was "a little startled, but also very much gratified" to find that "the Wholesale Society has actually become shipowners," and promptly looked ahead to a future of C.W.S. ships reaching China, New York, and New Orleans. So the new department began.

In some respects it more than fulfilled expectations. The new status gave the Society a higher standing with Continental merchants; better terms were secured abroad, and lower rates from the railway companies at home; and the need of filling the vessel's hold stimulated the C.W.S. potato business. The direct results were less satisfactory. The bad trade of these times, the effects of which we have already witnessed, and the reaction of the coal trade to normal conditions, led to reductions in cargo rates. The Committee realised they could not fully employ the *Plover* in the Society's affairs, and it was too small for a general trade. Ostend, instead of Calais, was tried as the outward port. But before the year was out the Committee were seeking to exchange the *Plover* for a boat of 500 tons, and a little later were willing to sell the vessel for £3,500. A long discussion upon the situation took place at the Quarterly Meetings of March, 1877. The Committee themselves were divided, with a majority for a larger ship, and a minority in open opposition. The mixed character of the business produced strong comments, and an aspect of partnership with the shipowner who had sold the *Plover*, and since then had thrown into the bargain a good deal of free advice, was disliked. No immediate action was taken. But early in the following year a recommendation to build a larger vessel was carried, with only five hands held up against the motion, at the Manchester Quarterly Meeting. The Tyne Engine Works, the co-operative effort to retrieve the Ouseburn losses, received a favourable answer to their tender for the new steamer, and the *Pioneer* came into being. The new vessel was of 650 tons; it was launched and named by Mrs. H. R. Bailey on February 21st, 1879; and the trial trip took place five weeks later. There was a swell on the sea at the Tyne bar, with a moderate breeze still lingering behind it; and "I know we did get over that bar on that memorable



PROMINENT FIGURES IN EARLY C.W.S. HISTORY.

1. Henry Pitman. 2. Joseph Cowen. 3. Dr. John Watts.
4. Samuel Ashworth. 5. Joseph Woodin. 6. Lloyd Jones.
7. G. J. Holyoake (early photo). 8. Ed. Owen Greening (present day).



C.W.S. "COMING-OF-AGE." LAUNCH OF THE LIFEBOAT "CO-OPERATOR No. 1" AT CULLERCOATS,
IN CONNECTION WITH THE NEWCASTLE CELEBRATIONS.

The left hand illustration shows the religious service before the launch.

Reproduced by kind permission from a contemporary illustration in the "Graphic."

Breaking a Shipping Ring.

29th day of March ” (wrote George Hines in the *Co-operative News*), “and I have every reason to believe we got back again, . . . that is about as much as I should be able to tell my grandson about it.” However, some of his fellow-committee-men probably denied themselves the pleasures of the trip, for the entire directorate (including Mr. Hines) attended the subsequent dinner, when J. T. W. Mitchell looked forward to whole fleets “going to and fro between the co-operative peoples of all countries.”

The *Pioneer* was immediately employed to open a new service from Garston, near Liverpool, to Rouen. At Goole a forwarding department was established, but the *Plover* being sold for some £3,000 early in 1880, the service had to depend upon chartered vessels, which either failed to realise what was expected of them or were withdrawn by their owners just when conditions became sufficiently profitable for the latter themselves to use the boats. However, appealing to the Quarterly Meetings for support in not taking a backward step, the Shipping Committee, which by now had emerged as distinct from the Grocery Committee, persevered through hard winters, when the Ouse was frozen, and through strikes,¹ which deprived them of outward freight. Losses were incurred, but the delegates were too busy with the Bugle Horn Colliery to worry about them. In 1881 the s.s. *Cambrian* was bought for £7,500, new from the stocks, and the Goole line began to show profits. This improved state continued into 1883. In that year the rapidly increasing volume of imports *via* Hamburg demanded special attention, and a Goole and Hamburg line was commenced. The step was immediately resented by those shipowners interested in this traffic. Rates were cut against the C.W.S. boats. As a “measure of defence” a 600 ton boat, the s.s. *Marianne Briggs*, which previously had been chartered by the Society, was bought outright. The purchase, for £8,125, was discussed at the Quarterly Meetings of September, 1883. To say it was debated at length is needless, for all the important matters of business in those days were deliberately and closely weighed. The main point made in favour of owning instead of chartering the vessel was that on the terms of the past quarter there would have been a saving of £808, which would have left a loss of £19 only instead of £827. It was objected that the boat was nine years old, having been built at Shields in 1874; but against

¹ The strikes and labour disputes to which casual reference is made here and on a following page were, of course, general industrial troubles, having only this indirect connection with C.W.S. history.

The Story of the C.W.S.

this was set the price. So the *Marianne Briggs* came over, and was renamed the *Unity*. Under the competition it had to face it was feared that ruin would be the final port; yet few were for yielding to the enemy. The war of rates continued. Mr. Titus Hall, then secretary of the Society, told the Quarterly Meeting of December, 1884, that the rates per ton upon flour, sugar, and rice, from Hamburg to Goole, had been forced down from 6s. to 2s. 6d. per ton. Mr. Mitchell, as chairman, added—

You will remember that I stated at the Quarterly Meeting that, because they had reduced on what affected us, we reduced the rates on what affected them. That was on the article of butter, for which we were paying 48s. 4d. We tried to get half-a-crown reduction times without number, but we failed to do so. Then afterwards we reduced it to 30s. ourselves, and we have found by experience that 30s. is a fair paying rate, and therefore we keep it at that; and that is the competition rate.

The original rates from Hamburg having been regarded as fair, the trading departments of the C.W.S. were still debited with these upon C.W.S. imports. In regard to flour, one reason adduced was the necessity of not appearing to create unfair competition with the flour mills owned by local federations at home. But this policy was challenged by the auditors. They saw in it a departure from previous practices, upon which they understood accounts to be based. They made representations to the Committee, and the issue was referred to the delegates. Long and hot discussions (December, 1884) ensued at all meetings. The result was a unanimous recommendation “that the shipping department account be made out at competitive rates.”

The competition in itself was seen to be clearly alien to the spirit and principle of the C.W.S. as a federal institution for self-supply; but, being in it, the delegates were prepared whole-heartedly to support Mr. Mitchell and the Committee in not drawing back. They were in the days when the C.W.S. still was pooh-poohed by shipping magnates, who proposed to teach these ignorant working men the folly of meddling in businesses they could not understand. This attitude of unconcealed contempt was exactly that most likely to rouse the spirit of men having a pride in their class and knowing that—while they might lose money themselves—they could teach superior people some surprising lessons in equality. We find it recorded, for example, in the Shipping Committee's minutes, that a certain great company “object to our bringing yeast from Hamburg to Hull on Tuesdays, and ask us to desist.” In this detail, as in other matters, the Wholesale Society did not desist at all. The

After Thirty Years.

competition went on until the end of 1885; and the adverse figures rose to over a thousand pounds per quarter. While cheerfully willing to break the ring, delegates began to despair of any profits out of shipping. It was styled "the picturesque department." But the C.W.S. knew its own strength. If it had to compete for most exports and some imports, on the other hand the great bulk of the inward traffic from Hamburg was its own, and the benefit of cheap freights that was lost in filtering through the retail private trader was received directly by the societies through their federation. It was also urged that the recorded losses were to be balanced, to some extent, by fixed interest charges and by an unvarying depreciation. However, the end was in sight. An appeal to arrange rates for Goole was made from the other side, and, with the railway company affected helping to mediate, terms were made for a peace honourable to the C.W.S.

There is no need to follow in detail the history of the east coast shipping during the ensuing years. New vessels—the *Progress*, *Federation*, *Equity*, *Liberty*, and *Unity II*.—were built for the traffic, their sizes ranging up to 1,200 tons. The profits, which had come substantially into being at the close of the rate war, continued, with fluctuations, later. The ships were insured in the C.W.S. own insurance department, with satisfactory results. Thus, for twenty years more, the business was continued in an ordinary way: the vessels made their passages, contending with adverse weather at sea, and with river ice during the hard winters of the earlier nineties. They grounded from time to time in the shallow and treacherous Ouse; they were interrupted by labour disputes; and now and then in slack seasons they were chartered by the C.W.S. to other owners—all in the regular course of navigating both the tides of the sea and the tides of commerce. Meanwhile events gathered for a change. The C.W.S. imports from Hamburg and Calais fell off. New and larger sources of supply for the Society were opened in other parts of the world; and the traffic became chiefly general. At the same time, the Lancashire and Yorkshire Railway Company, following the modern trend, determined practically to extend its lines from Goole and Hull to the Continent. Powers were obtained by the company from Parliament, and the C.W.S. had the option either of selling the Goole and Hamburg boats to the company or meeting an unequal competition. The former course was taken. Satisfactory terms were arranged, with certain guarantees on both sides, and in 1906 the *Unity*, *Equity*, and *Liberty*, with offices, stores, and

The Story of the C.W.S.

contracts, were handed over. The majority of the employees concerned, ashore and afloat, passed over to the company; places were found for others, and honorariums were granted to all who had seen more than five years' service. The time was also felt to be opportune for retiring from the Goole and Calais trade, and the *Federation* was sold to a Hartlepoons company. So, after thirty years, the C.W.S. brought boats to dock no more under the shadow of the tall spire of the parish church of Goole. The work on the east coast had served a purpose—it had helped to build up the Society; and the record of it served as a reminder that, if conditions once more demanded it, what had been done could be done again.

We now turn to the west coast boats. When the *Pioneer* began this service, in 1879, the C.W.S. were served at Garston by an agent. For various reasons the Society in 1881 decided to take the work into its own hands. Very soon afterwards the shipping department learned that negotiations were proceeding with one of the chief Liverpool shipping companies for a Garston and Rouen service. Influenced by hopes of large and easy profits, which otherwise might go to a Glasgow firm, the company was showing a willingness to move in this direction. The C.W.S. took the first opportunity of pointing out that while there was trade for one line two would be starved, and then of mentioning the C.W.S. American traffic, which could be diverted from the Liverpool company. Nevertheless the rival boat was started, but her voyages were few, for the owners soon found the gain to be illusory. However, yet another company was induced to sail in search of the promised Golden Fleece; but with the same ultimate result. And in two or three years' time the C.W.S. was left to work the service undisturbed, in harmony with the only other company permanently concerned. During this period the cutting down of rates had involved the Wholesale Society in losses, but, so far as the west coast was concerned, in the main these ceased with the return of normal conditions.

In these early eighties a movement was already afoot for a port much nearer than Garston to the manufacturing districts of Lancashire, West Yorkshire, and the North Midlands. The severe trade depression of 1879, renewed in 1881, produced much reflection in Manchester. A deep waterway to the sea was advocated. The claim was that it would create new markets and new industries in the city, through adding the advantages of a port while reducing the excessive railway rates from Liverpool. It was by no means a new idea, but under the circumstances of 1882 it took root and grew.



ON BOARD
THE S.S. "PIONEER"
AT THE OPENING OF THE
MANCHESTER SHIP CANAL,
JANUARY 1st, 1894.

Front Row :

T. Brodriek (standing).
T. Tweddell,
Capt. Rockett,
J. T. W. Mitchell,
J. Shillito, J. Lord.

Second Row :

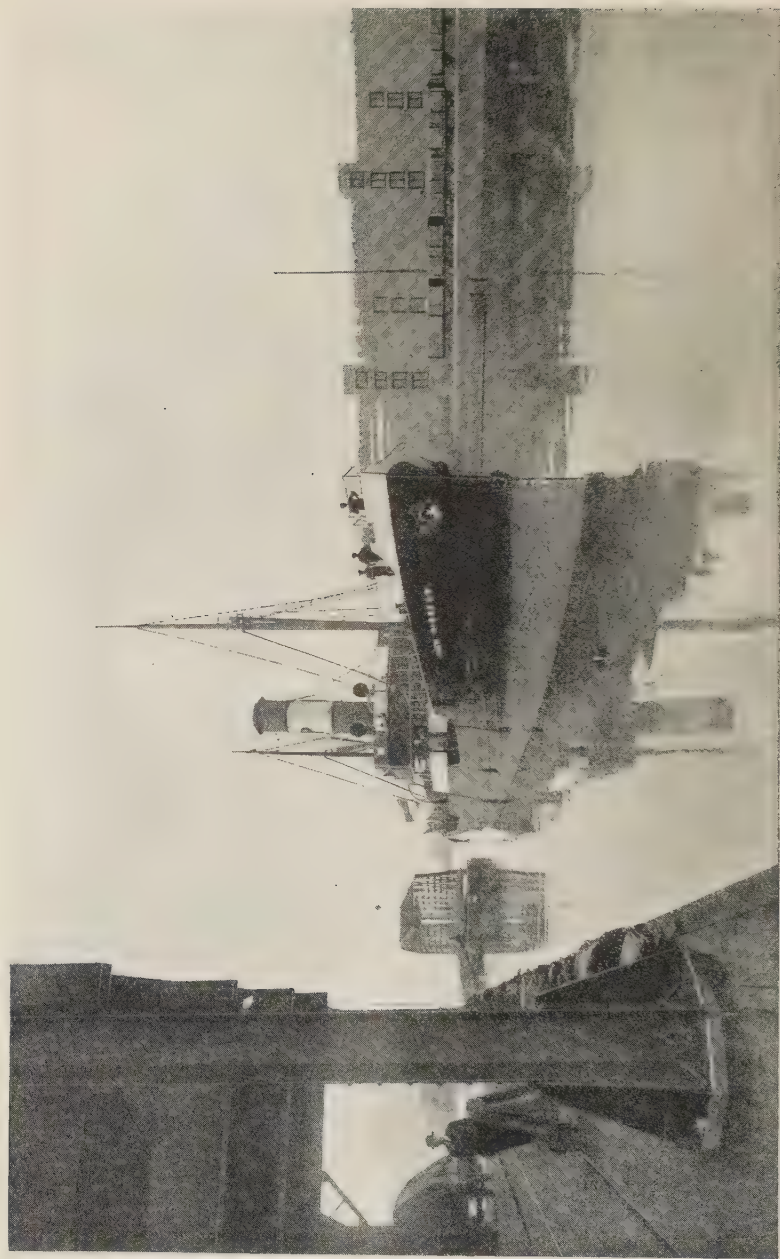
S. Bamford (Editor
Co-operative News),
T. Swann, J. Ogden,
A. Scotton,
G. Sutherland.

Back Row :

E. Grindrod
(against quay wall),
J. J. Barstow,
J. F. Goodey, T. Rule,
T. Killon, A. W. Lobb,
J. C. Gray,
T. Wood (in rear).

Side Row :

T. J. Baylis (rear),
T. E. Moorhouse,
J. H. Watson,
I. Tweedale,
F. Hardern.



S.S. "NEW PIONEER" OFF THE C.W.S. TRAFFORD WHARF, MANCHESTER.

The Manchester Ship Canal.

The C.W.S., as we have seen, were early supporters of the project,¹ and J. T. W. Mitchell gave evidence before Parliamentary Committees upon more than one occasion. In his *History of the Manchester Ship Canal* Sir Bosdin T. Leech referred to the C.W.S. chairman as "that stalwart champion of the canal." Describing an appearance before a House of Lords Committee, the Ship Canal historian said: "At first his quaint appearance, loud voice, and bluff manners puzzled the committee," and his statement that he represented 50,000 co-operators, doing a business of £3,000,000 annually, caused much surprise; but afterwards he received "marked attention" as he gave figures in proof of the great sum that, he declared, the canal would save to the Society. The Lords Committee, we are told, concluded that Mitchell was "a typical Lancashire man, who had little fear of dignitaries." The campaign for the canal did not attain success until 1887, after nearly failing altogether early in that year. Sir Bosdin T. Leech thus describes the C.W.S. part in the final effort:—

Nearly all the limited liability, trading, and co-operative societies of the district took up shares, the Co-operative Wholesale Society heading the list with shares to the amount of £20,000. It was very cheering that this important society, after an interview with the Ship Canal directors, showed their confidence by taking ordinary rather than preference shares. This was in marked contrast to the tardy support given by many leading merchants and capitalists of the district, who either held aloof entirely, or contributed the smallest sum that decency would allow them to give.

The first chairman of the Ship Canal Company, the master boiler maker, Daniel Adamson, whose energy and force it was that transformed the canal from an idea to a practical project, himself attended C.W.S. Quarterly Meetings as a member and a representative of the Manchester and Salford Society. After Mr. Greening had unsuccessfully opposed the investing of C.W.S. money in 1885, on the ground of the canal being purely a Manchester and district venture, it was Mr. Adamson's appeal to the delegates not to let London capitalists "grow fat upon what should be food for the commonwealth," which created enthusiasm for their investment. Prudence, however, went hand in hand with zeal, and the £20,000 was taken from the reserve fund, so as not to figure in the balance sheet as an asset. "They were not certain," said Mitchell at the March Quarterly Meeting, 1894, "what would be the result of the Manchester Ship Canal, and therefore they practically placed the investment in their books as nothing."

¹ Mr. George Hicks, in the *Manchester City News* of January 6th, 1894, stated that J. T. W. Mitchell was one of the guests invited to dinner at Daniel Adamson's in 1881, for the purpose of discussing and initiating a movement for a canal.

The Story of the C.W.S.

As most people know, Mr. Adamson's expectations of a 15 per cent dividend have not in the least been realised, but the failure has chiefly been due to a reduction of rates on account of the canal, and from these reductions the C.W.S. in its trading departments still benefits in direct and particular instances. Meanwhile, the shares have been depreciated out of existence. Incidentally we may remark upon the object-lesson which the canal presents for co-operators. The irrationality of the economic system which co-operation challenges must be great indeed when a vast trading community is driven to set up an artificial port in competition with a natural one in order to preserve its own position. Indeed, the whole carrying industry is one such lesson. Organised co-operatively in the interests of the nation, it should be simplicity itself. Organised in private interests it presents complexity within complexity, and almost bottomless depths of rates and rebates, together with the certainty for the consumer that ultimately he must pay for all the duplication and waste, and, on the side of labour, a dismal record of low wages, long hours, hard conditions, and bitter disputes. In a better ordered state surely such a canal would be as unnecessary as now it would be for Sheffield to open a way to the Humber, and commence the building of warships, in order to get fair play against naval owners for its warlike industries.

A "business opening" of the canal on January 1st, 1894, marked the completion, against time, of a long, difficult, and costly enterprise. Anticipating the honour of being the first merchant vessel to come up to Manchester from overseas, the *Pioneer* lay at Irlam overnight. In the morning she was joined by a representative party of C.W.S. Directors and officials, and, notwithstanding the competition for "historic firsts," did achieve for the Society the distinction coveted. Moreover, she was the first steamship to unload cargo in Manchester, and the first vessel to be registered as belonging to the new port.¹ The C.W.S. boat evoked the cheers of a great number of co-operators amongst the crowds lining the banks; while at the Mode Wheel Locks the Mayor of Salford, with others, came on board to exchange congratulations. The actual cargo disembarked on the instant of the steamer being made fast consisted of cube sugar from Rouen, the first case being wheeled off by Mr. Mitchell, and the second by Mr. Tweedale, the then C.W.S.

¹ These facts have been verified after sifting the conflicting accounts of eye-witnesses, lay and professional. Further, the claim was made by the Society in a letter to the *Manchester City News* of January 6th, 1894, and was not afterwards disputed.

Voyages to Greece.

sugar buyer. Any number of further records would have been made, had not the Customs officer intervened. This earliest arrival of all Manchester seaborne imports was despatched to the Failsworth Society. . . . During nearly twenty years of the canal's existence since, the C.W.S. has regularly imported from Rouen direct to Manchester. Until July, 1905, the service was fortnightly, but since that date a weekly service has been maintained. Although the general expectation of huge exports by canal has not been realised, the C.W.S. traffic has shown a steady if slow improvement. The Society, however, still has to find general goods to complete the outward cargoes of the boats at Garston and Swansea. A *New Pioneer*, and a new boat, the *Fraternity*, now maintain the service.

That old stalwart, the original *Pioneer*, was sold to a Turkish buyer in 1896. For a short time previous to this emigration she was employed in an effort to establish a coastwise service between Manchester, South Wales, London, and Newcastle, which failed chiefly because one boat was insufficient to give frequent regular sailings, and to have employed more than one boat would have launched the Society once more into speculative trade. The service, however, was not given up without certain advantages having accrued from its establishment. Another and a more ambitious attempt to realise an old ideal was made when the *Equity*, early in the eighties, was taken off the Goole station, and twice sent to Patras, in Greece, to bring home C.W.S. currants. Here we touch the core of a myth, for there are good people who, to this day, imagine that the Wholesale Society itself conveys its autumnal cargoes from the East. The obstacle to the enterprise lay simply in the fact of vessels built for the short trips of a coasting trade not being sufficiently economical in comparison with other boats designed for steady tramping between widely-distant ports. And ship-owning by the 10,000 tons, let it be admitted, is, under ordinary circumstances, still beyond the scope of economical working.

So the C.W.S. shipping, in the year of the Society's Jubilee, consists of the two boats linking Manchester with the French Cottonopolis, Rouen; and, as originally, the department is under the control of the Grocery Committee, in which the Shipping Committee was merged in 1906. Before quitting the subject, however, a little more remains to be told. Sending ships to sea is not only picturesque, but nearly always romantic—at any rate to landmen—and sometimes tragic. But from accounts of loss of life the C.W.S. records are singularly free. During the actual navigation of the vessels no

The Story of the C.W.S.

passenger or member of the crew has been lost. The worst disaster was the sinking of the *Unity* (the first steamer of that name) in October, 1895. While under navigation in the estuary of the Seine, proceeding up stream, she was run into by a larger boat, outward bound to Bilbao—the *Eclipse* of Hartlepool. On that occasion the first mate had a narrow escape. It was two o'clock in the morning, and he was in his bunk, when the crash startled him to life. He tumbled out, with a bleeding face, and at the same moment the bed upon which he had been lying slipped into the sea. A huge slice from amidships of the *Unity* to her stern literally was cut away. The entire crew escaped in the ship's boats to Harfleur, while the *Unity* settled down, the fore part cocked up on a sandbank, which afterwards engulfed her. This total eclipse and violation of *Unity* was duly paid for by the owners of the oncoming boat, who admitted their liability. Besides this disaster, the C.W.S. has also had its share of the minor accidents that occur when the conditions of all seasons are faced in narrow and crowded seas.

On the other hand the C.W.S. boats on many occasions have lent assistance, and the usually dry pages of minute books were enlivened, in the case of the Shipping Committee, by extracts from captains' reports detailing services rendered, often under difficult conditions. Sometimes the skippers would stoop to jest, as when the derelict *Hope* was boarded, and found to have been abandoned in despair. In rare cases some substantial share in salvage would be added to the profits. One of the most fortunate as well as one of the most deserving captains in this respect was the late Richard Bannister, whose record of life saved and heroic deeds done, personally and as captain of the *Pioneer* from 1899, added to his genuine popularity with passengers.

It may fairly be claimed that as an employer the Wholesale Society was always on good terms with captains and crews. Wages and general conditions were, and are, up to the standard of the best obtaining, and seamen's strikes regularly have been settled in advance on the C.W.S. boats by the Society promising to grant the best that might be won.¹ And while not professing to revolutionise commercial seagoing conditions within its own small area, the minutes of the Shipping Committee prove them to have been considerate of illness and accident, and of such boons as freedom from work in port on

¹ A pointed statement to the contrary effect was made in 1889 at the Trade Union Congress held in Dundee, and promptly denied by the C.W.S., but the charge of sweating being persisted in, the case went into court (March, 1890), and a two days' hearing resulted in a verdict for the Wholesale Society.

Railway Rates.

Sundays and general holidays. Thus to some extent they mitigated the hardships of a class which has always suffered heavily from competitive money making, and from missing some of the advantages of the ordinary citizen. Perhaps the best proof of this, in a changeable occupation like that of the sea, has lain in the long terms of service attained by most of the officers and many of the men under the Society.

The C.W.S. steamships were, and are, of course, mainly cargo boats. There is no advertised passenger service. But every shipowner may grant passes according to the capacity of his boats, and this power has never been more happily exercised than by the Wholesale Society. During many years the passage was free to members of co-operative societies, with a moderate charge for the captain's liberal table. Latterly the increasing demand has necessitated a slight payment for the trip. It is not every singer of "Rule, Britannia!" who cares to test his mastery of the waves, and perhaps this has been fortunate, or, with a circle of two million ultimate members, the impartial system of everyone in turn would have broken down badly. As it is, the facilities have been largely used by co-operators of both sexes; and those to whom was granted the weather of their choice would gladly admit having gathered some exceedingly pleasant fruits of democratic shipowning.

Two branches of C.W.S. activity may be reviewed in this chapter since both had their origin in the shipping department. The first is the railway rates department, located in the block of general offices at Manchester. Railway rates are known to the trading world as constituting a fearful and wonderful land of adventure. To safeguard the interests of those who pay them the Mansion House Association exists, to which the C.W.S. has subscribed, as it also has shared in various movements of railway users on their own behalf. During recent years the question of co-operators seeking Parliamentary representation has been strongly debated at the Co-operative Congresses. The Government Act of 1913, designed to give the railway companies the power to increase their charges to the public because of the better wages that resulted from the great strike of 1911, furnished a powerful argument to the advanced section in this respect. However, on the basis of existing rates, at first through the shipping department, and later through the services of a railway expert and his staff, the federation has worked out the practical, if prosaic, philosophy of making the best

The Story of the C.W.S.

of things as they are. Although the labour is wholly upon figures, and calculations proverbially have no general interest, the sight of a set of departmental sheets—exhibiting the possible best amongst all probable charges upon the goods that may go out from some yet unopened C.W.S. works to each different place on the co-operative map—inspires respect and curiosity, if only for and about the complexities of everyday things.

A larger development from the shipping business has been the C.W.S. coal department, organised in triple divisions, each under its own head, at Manchester, Newcastle, and London. From carrying merchants' coal as outward cargo, simply for the sake of balancing imports, the federation turned to supplying its constituents. This differed from many other C.W.S. movements in not being a next logical step. Rather it was an attempt to jump out of an artificial and temporary position into one more natural and permanent. As was to be expected, therefore, the initiative came from the inner circles of the Society. During the year 1891 the annual coal trade of the English and Welsh co-operative societies reached an annual total of 650,000 tons of the value of £505,000. These societies were circularised by the Committee to gauge the possibility of organising the demand through the C.W.S. The net result was that 156 societies indicated 465,609 tons of £361,600 value as the trade that probably could be consolidated. A further circular in December elicited particulars of the trade, on the basis of which the shipping department made a closer survey of the practicabilities. In April, 1892, a small conference of local societies particularly interested was held at Balloon Street. Negotiations both with societies and collieries were then reported. The results had been discouraging. Although the C.W.S. was buying large quantities of coal for export, when it came to house coal the collieries either quoted impossible prices or declined to quote at all. "One of the elements of the position against us," said Mitchell, "was that the colliery proprietors thought that societies by combination might force them to take lower prices." Said Mr. Amos Scotton, of the C.W.S. Committee: "They (the coal-owners) could not have acted with greater unanimity in opposition to the Wholesale if they had formed a ring or syndicate." On the side of the societies a great difficulty arose from the number of coal agents who also were store members—and abnormally active members whenever coal was concerned.

Coal and Collieries.

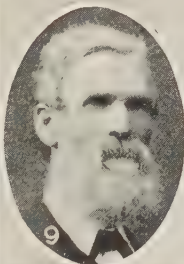
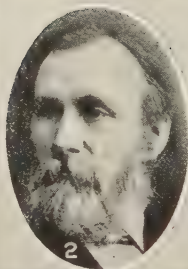
Again, large societies, finding themselves able to make moderately good bargains independently, would not stand together with the small societies in one combination of consumers. Societies' managers were reported as averse to the C.W.S. entering the business, and the C.W.S. official responsible replied: "We have not had any expression of opinion from managers in favour of it." However, the delegates from the ten societies represented nearly all spoke encouragingly, instancing the difficulties they had already overcome, even when acting single-handed. The representative of one society said they were "surrounded by collieries, but unable to use the coal, and up to the present time they had been debarred almost from bringing coals into the station. Certain collieries had a right of siding, and the society thought if they dealt with the Wholesale they would get over that difficulty." A resolution was agreed upon unanimously pledging support to the C.W.S. A home coal trade was begun, and carried on as a section of the shipping department for some years. Born into an atmosphere so inclement, it proved a lean and unthriving addition to the C.W.S. family. In 1900 the sales amounted to 41,284 tons of £32,884 value. After eight years this was all too little. Meanwhile, a few societies around Dewsbury, being well placed for combination, had joined to form the West Yorkshire Coal Federation. "Their experience," said Mr. George Thorpe, speaking at Birmingham in 1901, "had established beyond question the fundamental principle that it was much cheaper to administer a great mass than a small one." The first weeks of 1900 found the Coal Federation considering the buying of a colliery. Its directors convened a North-Western Conference at Dewsbury on January 27th to further the acquisition of the Upton Hall estate, near Pontefract, and the sinking of pits. The capital proposed was £183,000, and, by cheerfully assuming that every co-operative purchaser in the district would buy four tons yearly, the writer of the prospectus was able to exhibit a glittering profit of £111,638 per annum. "If anything would spur co-operators to go in for this scheme," said the chairman, "it would be the present inflated prices of coal." In reality the effect should have been precisely opposite, for, as we saw in Chapter XIII., the buying of collieries during a period of artificial prices had added to the disasters of 1874-9. From the Dewsbury conference an influential deputation was appointed to interview the C.W.S. and seek the support of the Society, but, fortunately, the greater federation was not influenced. In the following year the Coal Federation again

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summoned a conference; this time to discuss the offer of another estate (near Doncaster) and a proposal to test it for coal. At this meeting, with only two delegates in favour of referring the business to the C.W.S., a resolution was carried asking the North-Western societies to guarantee the amount required for boring.

Such activities had the effect, if not of proving coalfields, at any rate of penetrating the indifference of co-operators to combined action. Largely-attended conferences were held—one at Birmingham in 1901, and another at Manchester in the following November. Remembering the siren notes of the Bugle Horn, the C.W.S. Committee did not mean to run, but they were very willing that the co-operative movement should circumspectly walk. "The supplying of coal," said Mr. Shillito at Birmingham in August, 1901, "was entirely different from the supplying of sugar, of tea, of boots, and similar articles. The mines were situated in different directions. The usual policy of owners would have to be fought against. The question of local agents constituted a very serious difficulty. But all these might be overcome by a settled and joint policy." At Manchester, according to the *Co-operative News*, the delegates met at the invitation of the societies of the district, "to see if anything could be done to relieve co-operators in several parts of Lancashire from the high coal prices." Mr. Pollitt, of Eccles, opened the discussion. The mines discussed by the Yorkshire co-operators, he said, amidst approval, would be too far away for the societies represented at this meeting. Lancashire might form its own federation or refer the entire business to the C.W.S., and he preferred the latter course. "The difficulties now," said Mr. Thorpe, "were not so much with colliery proprietors as with individual co-operative societies. Were these overcome, the rest would be easy to master." "They had already arranged reasonable terms with a number of colliery-owners," added Mr. Moorhouse, in corroboration, and the question was whether societies would encourage the C.W.S. to obtain still better conditions.

The Manchester conference was adjourned. Resolutions already were reaching the Wholesale Society asking the delegates to the December Quarterly Meeting to advise an inquiry into coal mining possibilities. The chief of these came from a number of Yorkshire societies. It required that the C.W.S. Committee seriously should consider "the advisability of purchasing a suitable estate," and of sinking shafts on it for the benefit of the movement. This resolution the Committee adopted with the goodwill of the delegates.



PAST MEMBERS C.W.S. COMMITTEE, NEWCASTLE BRANCH.

- | | | |
|--------------------|-------------------|------------------------|
| 1. John Thirlaway. | 2. Wm. Robinson. | 3. W. J. Howat. |
| 4. John Atkinson. | 5. Matthew Bates. | 6. Robert Gibson. |
| 7. Geo. Binney. | 8. Robert Irving. | 9. Thos. Rule. |
| 10. Wm. Stoker. | 11. Jos. Warwick. | 12. F. A. Ciappessoni. |



PAST MEMBERS C.W.S. COMMITTEE, LONDON BRANCH.

- | | | |
|-------------------------------------|-----------------|--------------------|
| 1. Wm. Strawn. | 2. Fredk. Lamb. | 3. George Hawkins. |
| 4. F. Austin Williams (about 1885). | | 5. J. F. Goodey. |
| 6. George Sutherland. | 7. R. H. Tutt. | 8. W. H. Brown. |

Tactics for Success.

The Bugle Horn and Spring Vale experiments, said Mr. T. Redfearn, into which the C.W.S. was dragged "against their wish," should not now be quoted as objections. Three collieries would be needed, and the surface of the land should be owned as well as the coal beneath. At Manchester the debate was closed simply because there was no opposition to coal mining. So the Committee got to work. Within a month or so they received offers of collieries to a total of over one hundred, and coal-bearing estates to the number of sixteen. There were mines to be had in every mining county at prices ranging from "under £500" to £850,000, at which maximum several were offered. Members of the Committee inspected one or two possibilities in the Midlands, and a large estate in Staffordshire also received close attention, but eventually it was decided that the inquiry should be confined to the South Yorkshire district. Here the Committee got to close quarters with collieries near Barnsley and near Chesterfield, the expert whom they had retained furnishing reports upon both. But it was a large estate near Doncaster which they came nearest to purchasing—it offered prospects so alluring that prudence seemed inglorious. Yet, under the existing conditions of the Society's coal trade, it was too speculative a venture. The transfer of the land would have been only the beginning of the enterprise, the value of sinking to the coal remaining to be proved. Meanwhile, new bargains in collieries continued to become available at every meeting. "They had had almost innumerable properties of an unprofitable character offered to them," said Mr. Shillito at Manchester in 1904. Limits of time and space permit only one description of the mass of correspondence and reports collected in this investigation. It weighed sixteen pounds avoirdupois. . . . The net result was declared in June, 1904, when the Committee proposed to abandon further inquiries "for the present." This decision was received with natural regret, but, on the whole, with a sense of inevitability.

Against a poor chess-player it may be safe to make an unsupported sally with the queen. In this manner the co-operators of the seventies used their capital without a backing of organised and settled trade. But their opponents knew the game—whatever was to be said against the supply of necessities being such a sport—and the simple tactics proved disastrous. The C.W.S. Committee, therefore, now proposed to build up an advance by developing a greatly-increased coal trade. The business was separated from the shipping activities and given that first condition of vigorous life,

The Story of the C.W.S.

the higher status of a complete and distinct department, at Manchester under Mr. S. Allen. Nine years of steady work may be summarised in the figures of present attainment. During 1912 the total sales at Manchester, Newcastle, and London amounted to 899,848 tons of £703,167 value, while the Society now possesses 371 railway wagons.

Whether a further forward movement will follow the jubilee of the federation remains to be seen. In December, 1912, the desirability of inquiring into colliery owning again was advanced at the Quarterly Meetings, and again the reference was accepted by the C.W.S. Committee. Meanwhile, it may be added that in becoming an employer of miners the Society from its past experience would have to face a two-fold consideration. Along with the question of commercial soundness there would go the fact of direct relations with a strongly-organised body of workers—a body from which co-operators largely are recruited, and a body capable of exerting a great influence. Representations from this quarter made from time to time in connection with the coal buying have deserved and received respect, and it goes without saying that were the Society to become a mine-owner the same attitude would be maintained. A similar respect for the general interests which the Society exists to serve would be needed in return. Miners and seamen are the two great classes of workers especially deserving of consideration by the general community; but if co-operative coal mining ever is to succeed the consideration must in the main be that of the general community, and not a superlative regard enforced upon co-operative consumers only.

Since this chapter has dealt so largely with traffic, it would be unfair to close without a reference to other fleets possessed by the Society. There is little history, but much to interest, in the gradual development of the different carting departments of the Society. The progress from one-horse carts to the forty or more motor luries, and from the very modest vehicle in which the Committee originally were conveyed by Mr. Moore, at Manchester, to the small fleet of motor cars now under his control, epitomises the progress of the Society. There is, indeed, a wealth of detail to be gathered under this head, but such details truly are endless, and we desist.

CHAPTER XVI.

DEPÔTS AND SALEROOMS WEST AND EAST.

Pioneers in South Wales—A New Demand—The Beginning at Bristol—The West of England—And South Wales—The C.W.S. at Cardiff—The New Bristol Depôt—Northants and the Northampton Depôt—The Salerooms at Huddersfield, Nottingham, Birmingham, and Blackburn—Years 1873-1912.

ALTHOUGH the Plymouth Society led the movement which finally brought the C.W.S. to Bristol, it is to the Aberdare Society in South Wales that the credit of a pioneer effort belongs. In the *Co-operative News* of May 17th, 1873, it was reported that:—

Since the establishment of the *Co-operative News* and its circulation in South Wales an agitation has commenced for the formation of a branch of the Wholesale Society at Cardiff, Bristol, or neighbourhood. Several quarterly conferences have been held for the purpose of considering this question, commencing first with a few leading members of the Aberdare stores, and gradually extending until now the meetings approach the magnitude of those conferences held in other counties, more especially Durham and Newcastle districts, whose active promoters are busily engaged in the same trades, namely, coal miners and iron workers.

The fathers of South Wales co-operation were David Thomas and John Rees, of Cwmbach, to whom the news of Rochdale came through a series of letters by William Watkins, of London, which appeared in *Reynolds's Newspaper* in 1859: so we learn from an interesting Congress souvenir sketch, by Mr. Evan Jones, of the Cwmbach Society's origins. Cwmbach is situated only a little below Aberdare in the same valley; yet the movement did not take root in the latter town until 1868-9. It then struck into the soil vigorously. In 1873, besides circulating the *News*, the Aberdare Society was aiding its members during a strike by allowing withdrawals, and also making advances upon security. And on February 11th, 1873, the Aberdare co-operators informed the Wholesale Society that they would take up six shares in the federation "on the condition that

The Story of the C.W.S.

a branch store will be established by you in Cardiff or Bristol in the course of a few months." How the C.W.S. received this stipulation is unknown. The minutes of the Society simply record without comment the acceptance, three or four days later, of this new member by the Committee. And it was not the C.W.S. but the Congress Board which sent out a circular, soon afterwards, to eighty societies in South Wales and the West of England, asking what custom would be given to a C.W.S. branch. Tabulated replies from more than forty societies were printed in the *Co-operative News* of May 17th, 1873. Nearly all the returns testified to the value of the Wholesale, and twenty-five societies promised unconditional support. Some, however, were unheroically content with "probably," or "most likely," or they would buy "if found advantageous," or "if cheapest and best," which hardly needed the telling. However, forty delegates assembled at Aberdare on May 1st, 1873, under the chairmanship of "a member of the Mountain Ash Society;" and William Nuttall came down to represent the Central Board of the Co-operative Congress. The English reporter did his best to record the names of all the societies represented, and got as far as "Ystalyfera," "Pontrhydyfen," and "Tuedyrhyed" when he broke down. Equally he failed to reproduce all the speeches. Yet, not all the delegates were Welsh. The loyal Gloucester Society sent one of its leaders, who "earnestly recommended every society represented to join the Wholesale at once," for "their society could trust the Wholesale, and had found it could treat them well;" and Newport gave strong testimony in support of Gloucester. Failing a C.W.S. branch, a separate Wholesale Society was talked of; but this idea faded under discussion. William Nuttall took a non-committal attitude; nevertheless at Manchester, a fortnight later, he declared "it would pay the Wholesale to send a man to Bristol now, to receive orders and keep samples."

The reply made by Mr. Crabtree to Nuttall's suggestion was that the C.W.S. had sufficient to do in founding the London Branch, then under discussion. But a report upon the latter, of August 19th, 1873, acknowledged the Western need by proposing to leave "the South-West counties for a branch at Bristol, and the Midlands to have one at Birmingham." Meanwhile the demand continued. At a Western Conference, held at Gloucester on August 1st, 1874, a resolution was carried by a large majority "impressing upon the C.W.S. Board the desirability of a Bristol Branch." Bristol was named continuously because of its position as the manufacturing

At Bristol.

and mercantile centre of the West, for Joseph Clay, of Gloucester, told the conference when it met at Bristol in 1875:

There were two towns in England that had not taken up the co-operative movement, viz., Birmingham and Bristol, and these were the towns they would naturally have expected would be the foremost in the movement. They had always striven for reforms, but they had not reformed themselves.

The same unavailing desire for a Bristol Branch was expressed successively at Mountain Ash, Gloucester again, Dowlais, and Maesteg during the years 1876-7. In the latter year the C.W.S. Committee still did not see their way, but Joseph Clay, then possessing a seat on the C.W.S. London Board, gave assurances to the patient Westerners. Very soon after, however, the C.W.S. reluctance found justification. Bad trade and prolonged strikes made havoc of all but the strongest South Wales Societies. The failure, in 1878, of the important West of England Bank, intensified distrust of all except primitive methods of doing business. It was believed in Glamorganshire that even the Post Office Savings Bank was going to break. The conferences practically ceased to meet, and co-operation relapsed into a purely local interest.

The idea of a C.W.S. Bristol Branch lay dormant until 1882, when the Plymouth Society made inquiries, and were informed that "the time has not yet arrived." Not content, the Plymouth co-operators entertained a Western Conference at Plymouth on February 10th, 1883, with their stores manager in the chair, when Mr. P. Wright, of Plymouth, read a paper on the necessity of a C.W.S. branch in the West. The Severn tunnel then under construction was said to make the project more feasible. At Newport, six months later, the mood became imperative. The Plymouth, Radstock, and other English delegates were supported by survivors from the previous agitation, like Mr. Edwards, of Mountain Ash. The resolution declared that "a Wholesale must be formed at Bristol, if not by the Wholesale Society, by some other organisation." Mr. Ben Jones, although speaking only as a servant, hinted at a decision to make a moderate beginning, and nine months later the C.W.S. Committee announced an intention of opening "a sale and sample room in Bristol, under the London Branch Committee."

The new dépôt began at 106, Victoria Street, Bristol, with six employees, and was formally opened on October 8th, 1884. Mr. Hines admitted that the federation had been "perhaps unduly cautious," and, at any rate, the sales soon proved the dépôt's necessity. For the few months of 1884 the English and Welsh shares in its grocery

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and provision trade were curiously equal, being £6,103 and £6,102 respectively. In the following complete year these sales totalled £59,467 and £13,226, or £72,693 in all. The small establishment soon proved too small and unworthy of the C.W.S. "What's the good of you offering me sugar?" the managers of one or two large societies would say to the C.W.S. Bristol salesman. "we could buy you up any day." So a large warehouse in Christmas Street was leased in June, 1888, and formally opened on October 4th of the same year by J. T. W. Mitchell, in the presence of more than a hundred delegates. Yet the West still asked for more. At the Quarterly Meetings of 1889 it was moved that the Bristol Dépôt should be raised to the rank of a branch, with its own Committee, and so made equal to London and Newcastle; but, withdrawn once, and then brought up again, the proposition finally was defeated at the December meeting.

The different C.W.S. employees at the London Branch who came down to Bristol mostly were true to the London tradition. They regarded their promotion rather as an exile. Bristol, nevertheless, is one of the most picturesque and interesting of British cities. Its streets and quays—

Close to thine ancient walls
Come subtle whisperings of the Severn Sea . . .
Of cave and crag and seaward mystery.

—are crammed with history. Yet, curiously enough, the city is not of great antiquity. Although the remains of Roman and British camps stand over the Avon gorge, the authenticated historical existence of Bristol itself hardly covers a thousand years. Moreover, its debt to prelates, lords, and kings is less than none. Bristol has owed its importance entirely to trade, the kings being generally in debt to its wealthy merchants. In modern times, unlike Manchester, Sheffield, or Nottingham, the city has not thriven upon some staple export. For the most part it has become an importing and manufacturing centre for the counties around it. Possessing a score of trades, Bristol is dependent upon no single one. It is literally the metropolis of the West, more picturesque than the big metropolis, and cleaner also, while as rich as London in the luxuriance of its gardens, parks, and river valley. On the other side looms the fact of low wages in the agricultural West, upon which the trade of Bristol has specialised in providing cheap goods made by cheap labour. "A city of churches, public-houses, and charity," of "low wages, bad housing, educational handicaps, and private monopolies."

A Glance at Welsh History.

so Bristol has been described by one of its active citizens. Joseph Clay's reproach of Bristol, however, has to a large extent been wiped out. In the year that saw the C.W.S. at Victoria Street the Bedminster Co-operative Society was formed; and the Bristol Society followed in the next year, and these, with two district societies, have since become amalgamated in one.

The C.W.S. travellers who went out from the depôt found variety at least in the district before them. From the big societies at Plymouth and Gloucester they turned to struggling ventures which had to possess the hardiness of a cactus if (being almost without capital, trade, or members free to act) they were to maintain independent existence. In small centres of old industry they would visit intensely democratic societies of nonconformist colliers and cloth workers, and soon afterwards would discover village co-operators who owed the origin of their society, and a big share of its prosperity, to some socially-minded church-going squire. Or they might wait upon the doorsteps of one or two big buyers whose societies might claim to be "wholesales" in themselves; or have to meet committees who, in the isolation of their villages, had acquired sufficient self-confidence, as well as innocence, to invite C.W.S. competition with Bristol or London merchants in "Norwegian sugar."

This variety in the district was considerably increased by the inclusion of South Wales. There are many Englishmen who do not realise that the Welsh have any special history. They expect the Conquest, Magna Charta, and the rest to suffice for the whole island, Scotland included. The ninth *Britannica* declined altogether to give a special article to Wales. But the eleventh edition has allotted twelve pages. For Wales has an absorbing history, not only in the remarkable stories of her aristocratic Gryfydds and Llewellyns and her more popular hero Owen Glyndywer, but also in the records of the social system of her clans, gathered for us in Seeböhm's *Tribal Systems of Wales*. In the Welsh tribes of not many centuries ago each man had his place and value, so that while the blood-fine for killing a chief was 189 cows, and for a bondman only four cows, or merely two cows for a bondwoman, at the same time a "mesh of guarantees and liberties" secured for every person, in a rude way, that rightful place in a social order which, upon a wider level, those who suffer by commercial competition are seeking to-day. The story of the mediæval struggle to build up a united Wales, in spite of natural obstacles and divisions, and treacheries and betrayals

The Story of the C.W.S.

without and within, inspires both admiration and pity. This, and the later religious, social, and industrial history, all need some consideration, even by the business man, if he is to understand his modern Wales. Dafyd-ap-Gwyllym, who observed nature like Wordsworth, and sang of her like Shelley, as he wandered through Wales five hundred years ago, would hardly recognise his "fair Morganwg" if set down in the Rhondda to-day; but, however changed and altered by religion and education, the larger part of its people are at heart still the same as those amongst whom he lived and loved.

The capitalists who developed and exploited the South Wales valleys both hindered and helped the rise of co-operation. Thirty years after the passing of the Truck Act Glamorganshire still saw this system in force. In 1861 the *Cardiff Times* reported the Pentyrch colliers as offering to give "the master's shop" a preference, "provided they be paid in money." The truck shop in Aberdare only closed in 1868. With the suppression of the system, the "company shops" in a few instances were turned over to genuine co-operative societies, but in many others they became only nominally co-operative. Out of this confusion, through ever-recurring industrial disputes, the co-operative movement had to emerge. In the eighties, and even later, the C.W.S. travellers found it not at all easy to win Welsh support for the federation. In at least one case the representative of the Bristol Dépôt was regarded at a conference as an "interloper," and a vote was taken upon whether he should remain. However, the forward spirit which had shown itself in the seventies still lent sufficient aid to justify its beginning and a step beyond.

On October 22nd, 1891, the C.W.S. opened in Cardiff itself, taking a room in what was then the Rotunda Buildings and is now an hotel. J. T. W. Mitchell attended the dinner in celebration; George Hawkins was there, and an Aberdare man fittingly moved the resolution of welcome from the sixty Welsh and Monmouthshire representatives present. Cardiff is even further from London than Bristol, but eventually Mr. J. F. James filled the post of command, which has remained his since. Co-operative trade for co-operators was now sought at closer quarters. It was still a task. Managers were "not in;" prices and qualities never were deemed satisfactory. In some cases C.W.S. trading methods broke upon habits which custom had permitted, producing something like a struggle for the survival of the fittest. Yet the unity of interests

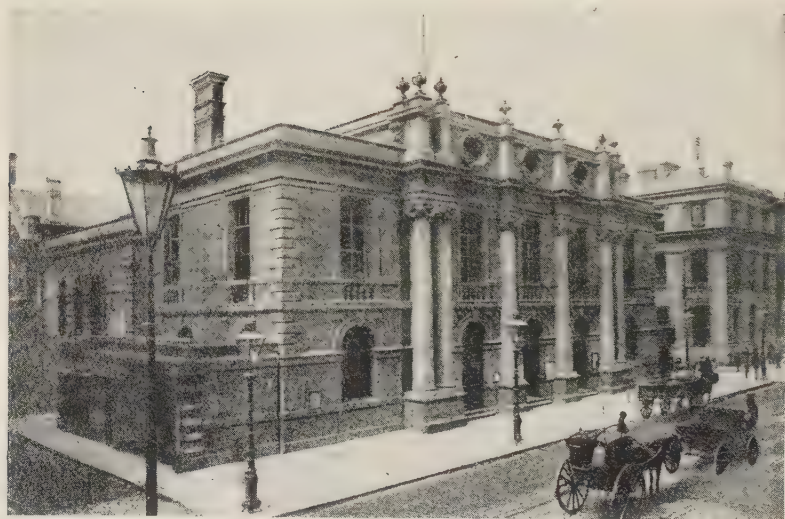


THE THREE AGES OF THE C.W.S. IN BRISTOL:

1. Victoria Street, 1884.
2. Christmas Street, 1888.
3. Broad Quay, 1906.



C.W.S. DEPÔT, BUTE TERRACE, CARDIFF.



THE OLD TOWN HALL, CARDIFF—SITE OF NEW C.W.S. DEPÔT.

At Cardiff.

between the Wholesale and the retail societies could not fail to overcome all obstacles. In 1894 the small saleroom in the Rotunda Buildings was given up in favour of a four-storey warehouse in Hope Street. This in its turn proved insufficient. Early in 1899 the C.W.S. found it necessary to convene a conference of both Welsh and English societies in Bristol. It proved to be the largest meeting of the kind that had as yet been held in the West. Rival demands were made for an extended depôt, supplying not only groceries and provisions, but drapery and other goods. Although the one chief commodity is coal, the port of Cardiff (including Penarth and Barry) far surpasses Bristol in the value of its exports. If its statistics were amalgamated with those of the port of Manchester, which has chiefly imports, the union would produce most impressive all-round figures. Cardiff's metropolitan claims were fully emphasised by the Welsh delegates at this Bristol conference, and Bristol's as strongly upheld. Therefore, upon the motion of the late Alderman W. H. Brown, of Newport, a vote was diplomatically avoided, while an official statement was made that sites were in view both at Bristol and Cardiff. And in 1901 the C.W.S. opened its own building upon ground leased for 999 years at Bute Terrace, in the Welsh city. Familiar difficulties on the score of ancient lights prevented the building reaching its full altitude, but in 1905 the limitation was overcome. The extensions gave room for a fully-equipped depôt, where the Welsh co-operator, amongst employees most of whom are his own countrymen, may feel that he has the essential advantages of a purely Welsh institution and something more besides.

Yet to provide for an increasing business even this structure of five or six storeys will not always suffice. Cardiff, as is well known, contains little freehold land. It was "granted" away from "the rebels in the western parts" and out of the possession of the English crown three or four centuries ago. But a first-class freehold site promised to become vacant when the Cardiff Corporation bought the wide Cathays Park, and began to erect there a new White City—a City Hall, with Law Courts, University, and National Museum of Wales following. The old Town Hall, fronting upon St. Mary's Street, with the old Post Office and other adjoining buildings, would have come under the hammer as separate lots had not the C.W.S. opened negotiations. The Corporation naturally preferred to deal with so large a buyer, and the entire property, land and buildings, came into C.W.S. possession. Thus at an outlay

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of £60,000 for 4,300 square yards, the Wholesale Society became for the first time something more than a leaseholder upon the costly ground of Cardiff. Before very long a new and greater depôt will occupy the acquired site. While the mineral wealth of South Wales remains the district as a whole is likely to grow still more populous. The Welsh co-operators, once aroused to the larger meanings of the movement, have taken high rank amongst the most loyal, and with the present goodwill on both sides there is no doubt a busy future for co-operation, local and federal, in Monmouthshire, Glamorganshire, and Carmarthenshire, and (aided by the agricultural co-operative movement) still further West and North.

We left the Bristol Depôt located in Christmas Street. The conference of 1899, following increases of business that were not ended by the Cardiff developments, had an effect here also. Observant eyes already had been fixed upon an area of slums by the waterside in the heart of the city. Altogether, twelve years of patient waiting passed before it became possible to announce the possession of the entire site. This came with an agreement to lease from the Bristol Corporation the fourteen hundred square yards on Broad Quay necessary to round off an area previously acquired. Two hundred and forty people were living on the site, in tenements which, as the *Bristol Mirror* said, had nothing but their picturesqueness to recommend them, and five public-houses stood within the area. While the site was cheap, its character, near the waterside, made it necessary to prevent any possible settling by building on cemented piers, going down 50 feet to a solid basis. The new depôt was officially opened on May 16th, 1906—twenty-one years after the coming of the C.W.S. to the Western capital. Over five hundred guests from the Western and South Wales societies were entertained by the Wholesale, represented in the chair by Mr. Henry Pumphrey. The business of the depôt had grown in the twenty-one years from £60,000 to £800,000, and the employees from six to eighty. Even though a slum is demolished, it is not pleasant to dispossess 240 people, but there is compensation perhaps in the fact that at the end of 1912 the number of employees had grown from eighty to 270. More people work upon the site now than previously lived upon it. Meanwhile, the statistics of the depôt's trade have proved what originally was greatly doubted—the necessity of a building upon the present scale.

If the C.W.S. in the West has grown out of, and prospered with, the successes of the local societies, it has also created local success,

At Northampton.

not only in a general sense but also in particular instances. First, under Mr. J. W. Justham, who for many years has been the head of the grocery business, and latterly under Mr. White, public auditor and accountant at the dépôt, a work of supervising struggling societies has been carried on. Being in touch, the C.W.S. men have been able to observe the signs of distress. Action has been taken upon the merits of each case. Societies have been advised, helped, and instructed at all points. The policy always has been to make the society financially successful without weakening local control and self-reliance. Upon their little scale the problems have been those which have confronted empires in their contact with small nations, and along its purely democratic lines the C.W.S. may claim to have found the true way to success. Two conspicuous examples are the thriving societies at Swindon and Bournemouth; one, the New Swindon Industrial Co-operative Society, and the other the Parkstone and Bournemouth Co-operative Society. To Swindon the C.W.S. representative (Mr. Edward Jackson) used to go down night after night, acting as an unofficial secretary while steadily working for C.W.S. aid to become superfluous. In these and other successful instances the localities were easily capable of supporting independent societies; in other cases the difficulty of attaining moderate efficiency, with stability, has furnished arguments for county or district amalgamations. The Barry and District Society in South Wales was supervised from the Cardiff Dépôt (where Mr. Warren is the auditor), and "I always say" (said the present secretary to the writer), "if your society's in trouble, whatever you do, get under C.W.S. control; if anybody can, they'll keep your chin above water."

Our long stay in the West is likely to compel short visits to the other centres where the C.W.S. has established dépôts. Besides at Bristol and Cardiff a miniature of the London Branch premises at Leman Street is to be found in Northampton. Co-operation in the Southern and Eastern Midlands can show old-established societies, and especially in the district of men's boot-making. Like the societies in the small cloth-working towns of the Cotswolds, these have sprung up in small but democratic centres of industry. Several of these village associations are well over fifty years old. There has been the same mingling of influences, also, as in the West. William Cooper, from Rochdale, corresponded with the late Earl Spencer, and at the gates of Althorp Park the Harleston Society

The Story of the C.W.S.

owes some of its strength, together with the control of the village inn, to the late earl and his successor. Further away, at Rugby, Peterborough, Kettering, and elsewhere, and in the town of Northampton, societies have grown great of recent years through railway and general industrial developments, as well as through enlisting rural support.

The C.W.S. came into the boot-making town during comparatively recent years. In 1890 Mr. Baker, who had been the London Branch traveller for the district, was put in charge of a saleroom at 18, Guildhall Road. It was literally "a one-man show," open only on Wednesday and Saturday mornings. But, as in the case of the original saleroom in Manchester, and for the same reasons, the need of a warehousing centre became evident. The want was met for the time being when the C.W.S. opened its own building in Guildhall Road on February 10th, 1897, and this again was extended in 1904. Since that date the drapery department located at the *dépôt* has had to find space across the street, while the bacon stoves are higher up the road. A department for auditing societies' accounts, under Mr. Kay, adds to the completeness of the C.W.S. settlement. The employees at the *dépôt*, which, after fifty years, has fully made up for the failure of the old Midland Counties Wholesale Society, numbered thirty-four at the close of 1912.

Eastward of Northampton there is no saleroom or *dépôt* as yet, the large society at Norwich, and the growing, but rather scattered, societies of Norfolk and Suffolk being served by and from the extended range of warehouses in London.

The territory allotted to the London Branch lies south of a line zigzagging from the Wash to Aberystwyth. Within the Manchester area, northward of this division, the first saleroom was the Leeds establishment, of which the origin was given in Chapter XIV. Less than three years after the Leeds opening in August, 1885, it was arranged that a C.W.S. representative should attend on alternate Tuesdays in a room upon the Huddersfield Society's premises. Soon afterwards a move was made to Lion Chambers. Here, in rooms only to be reached by a narrow and twisting staircase, business was done during 1886 to the amount of £267,000. Larger premises were afterwards taken at Railway Street, and eventually, when the business was nearing half a million, the transference of a C.W.S. Brush Works to Leeds enabled the Huddersfield Saleroom to occupy the present roomy buildings at Upperhead Row and Spring Street.

Leeds to Birmingham.

Upon the institution of the last-named saleroom the C.W.S. Committee stated they were prepared to open wherever it would pay to do so, and on April 22nd, 1886, fifty delegates gathered for the opening of a room at 2, Listergate, Nottingham. No stocks were to be held, and the attendance was to be on Wednesdays only. Nottingham, however, is not only near to Derby, Leicester, Loughborough, Lincoln, and Grantham, but it is the natural business centre for the important mining valleys to the north-west. Hence three changes followed, all in pursuit of larger and more convenient quarters. At length the C.W.S. made its Nottingham home in Friar Lane under the rather unusual roof of a one-time Congregational church. Here, with 2,000 square feet of space at their disposal, the different C.W.S. departments find a room for all displays. More recently the need of furthering the sale in the Nottingham district of furniture made by co-operators under trade union conditions has led to the institution of a permanent showroom for C.W.S. furniture in the town.

Birmingham, one would think, ought to possess commanding co-operative stores, retail and wholesale. In course of time this may be so, and the birthplace of Holyoake fulfil the promise of her past. For the convenience of a growing number of Birmingham, South Staffordshire, and West Midland co-operators, the C.W.S. opened a room in the Prudential Buildings, Corporation Street, on May 5th, 1892. The sure and certain removal took the Society to Pershore Street, three minutes from New Street Station, very soon afterwards. Ten years after the arrival in the Midland capital a much-extended building in Pershore Street was opened, on April 9th, 1902, with full provision for an extensive cycle purchasing and forwarding depôt included.

To this list of openings, almost a mere catalogue, that at Blackburn must be added, which took place on May 16th, 1890. North of Blackburn or Leeds, in the Newcastle district, the general compactness of the co-operative area has made salerooms and depôts less necessary, and Newcastle-on-Tyne remains the one centre.

One of the most fascinating of tours would be through industrial Britain. The riveters hammering in the yards of Jarrow and Sunderland, the coal-hewers up from the shafts of Durham, the puddlers whose figures are dark beside the white heats of Middlesbrough, the shunters in the lamplit night at York, the weavers and spinners at loom and mule amongst the folds of the hills of the Pennines, the mountain quarrymen of Wales, the fishermen aboard

The Story of the C.W.S.

the rusty iron trawlers sailing out of Grimsby—one's imagination quickens at the many aspects of life (each prosaic in detail, yet poetic in the whole) long before it travels the linked counties to the fruit-pickers under the Kentish sun, or the diggers for China clay in Cornwall, or the remote lighthouse-keepers of the Western cliffs and rocks. Hardly a better way could be found of realising this multiplicity than by taking a journey through the country with an introduction to its co-operative stores. From Tweedside to Penzance one would meet almost the whole industrial population upon its domestic and, therefore, more intimate side; in a word, see the English and the Welsh people at home. Short of so extended a progress, perhaps the next best course would be a privileged visit upon market and special sale days to the C.W.S. salerooms and warehouses from Tyneside to Thames-side and across to Bristol, Cardiff, Manchester, and Blackburn. At any rate, in the large centres and the small, though more obviously in the small, the visitor sufficiently privileged would find the active mutual interests of local committee-men and managers and the C.W.S. officials and representatives creating friendly, social relations; and in so favourable an atmosphere he would not find it difficult to draw from many reservoirs of intimate local knowledge and understanding.



VANISHED BRISTOL.
ALDERSEY LANE,
WHERE THE C.W.S. DEPÔT NOW STANDS.
After the drawing by S. Loxton.

CHAPTER XVII.

CONSTITUTIONAL AND MERCANTILE.

Fees and Fares—Divisional Meetings—Balloon Street and Clock Alley—Newcastle Branch Developments—The New London Warehouses—Longton and the Potteries—Greece and Dried Fruit—The Denia Dépôt—Gains and Losses of the Time—Years 1885-90, and to 1912.

A FINE poet of our day ended his life, tragically, because he could not live by poetry. One wonders what a genius of like kind would do if the alternative were a commission to write a co-operative history. Provided the poet had no Shakespearian disdain of the common people, and was able to perceive the creative spirit using a trade in butter and sugar for vital ends, the likelihood is he would live and find solace in his work. He would become the Arnold Bennett of a collective and persisting life. Yet, decidedly, he would be a little discouraged by the quantity of opaque material, neither to be cast aside nor easily made translucent. Occasionally he would feel himself trying to build an aeroplane from old iron. . . . This fancy arises rather from considering the general narrative than from any particular incident, but certainly it enters with questions like those of committee's fees and fares, district representation, and others which provoked keen and long controversies in their time, and still compel a place in the history of the Society.

In Chapter XIV. it was stated that the expenses of deputations led in 1885 to the appointment of a special committee to consider the fees and fares of the executive. This body of inquiry was not puffed up by the figures of the C.W.S. annual sales, which were then over four and a half millions. It recommended that second-class contract tickets should be obtained for the Directors, or thirds where no seconds could be had; that the chairman of the Society should receive a special payment of £40 a year, and the Newcastle and London Branch chairmen £20 each, with £20 for each secretary and £10 for each branch secretary; and that a sum of £2,000, inclusive of such special payments, should be allowed to the Board for all services, the Directors equitably to divide the payment

The Story of the C.W.S.

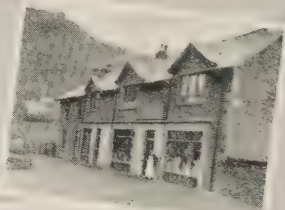
amongst themselves. An alternative scheme was proposed by the General Committee itself. This included first-class tickets where no seconds could be got, a halfpenny per mile for time spent in travelling, fees for each meeting attended (of 7s. 6d. for a first and 3s. 9d. for a second meeting on the same day), and chairmen to serve without special payments. The discussions at the ensuing special meetings occupied many pages of the *Co-operative News*. At the final Manchester gathering 379 delegates attended, and were in conference for nearly four hours. Payment by fees was carried by 283 votes, against 181 for a lump sum. Then came the question of amounts. In spite of a Lancashire delegate who considered any stipend beyond 30s. a week "extravagant," and who contended that many men would be glad to serve for 25s. a week, the first figure of 7s. 6d. enjoyed an easy victory. But the 3s. 9d. for a second meeting was closely contested. An amendment from Rochdale was that if the members of the executive were not occupied by the meetings of any day for more than six hours in all 7s. 6d. must suffice. J. T. W. Mitchell was willing to accept the limitation, but it was defeated by fourteen votes. As for the railway tickets, the Newcastle delegates (perhaps knowing little of the Southern railways at that day) were for third-class universally; but nobody in London wished such a fate for their executive, and, on the whole voting, second-class won easily. Third-class, however, where no second obtained, received a narrow majority, but the Directors were allowed the desired mileage. In regard to deputations, they were not to spend more than £50 without gaining the consent of the delegates. It was not merely a superlative regard for economy which moved the latter thus carefully to watch these expenses and rewards. They wanted to ensure that the Society should be governed by and for the working class to which it belonged, and that its posts of honour should not attract men whose main desires were for their own individual advancement.¹

Later on there came a question of revising the rules, with which a variety of matters was knit. Among these was the subject of divisional meetings. Mr. D. McInnes, of Lincoln, raised the proposal at a Lincoln District Conference, held at Grimsby on July 7th, 1888. Not only were societies debarred by expense from sending delegates to Manchester, but among distant societies the

¹ Perhaps in this connection one may refer to the Wholesale Board Selection Conferences, which were held in the Dewsbury-Stalybridge district about 1887. Their purpose was to secure a local agreement concerning candidates to be recommended to the federation. The movement they represented, however, proved short-lived.



A TYPICAL SALE DAY IN THE GROCERY SALEROOM, C.W.S. NORTHAMPTON DEPÔT.



SOME TYPICAL RETAIL STORES.

1. Stratford Society's Ilford Branch—A Metropolitan Store.
2. Banbury—An Agricultural Town.
3. Pendleton (Salford)—A Lancashire Cotton Town.
4. Birtley (centre of view)—A Durham Mining Village.
5. Harlestone, Northants.—A Rural Village.
6. Langdale, Westmorland—A Quarrying Village.
7. York—A Railway Centre.

Divisional Meetings.

federation also suffered from lack of interest in so remote an institution. A meeting was asked for at Long Eaton (Trent Junction) as being the most central place. The C.W.S. Committee, however, were in opposition. A Midland meeting meant expense; and the new saleroom at Nottingham had not justified itself. If this demand were met another would arise from Bristol, and so on *ad infinitum*. The battle was resumed at a Midland Sectional Conference, where it was said that the journey to Manchester from Lincoln, out to the meeting, and home afterwards occupied in all twenty-two hours. Circumstances were on the side of the Midlanders. Strong complaints had been made in 1885 of the crowded state of the Manchester meetings, and the Pendleton Society had moved for reducing the representation by one-half. At the end of 1888 a special committee was appointed to consider all these matters. Besides four representatives of the General Committee Messrs. Greening and Neale were appointed, and comparatively new names appeared in those of Messrs. T. Tweddell, R. Tutt, A. Scotton, and F. Hardern. Mr. T. Redfearn, of Heckmondwike, already prominent as an independent and valued critic of C.W.S. rules and finances, however intricate, also was elected. Five hundred delegates at the final Manchester meeting spent three and a half hours on the report, early in 1890, and then adjourned—to come together for another three hours a month later. To follow all the details discussed would be tedious and unnecessary. Divisional meetings were almost unanimously accepted; and, as a result, the first for the Midlands was held at Long Eaton, and the first for the West at Bristol, on March 7th, 1891. Meetings at Cardiff and other centres followed. District representation upon the Committee was rejected. The basis of representation was not altered; the share capital was increased; the General Committee was enlarged by an additional member from each of the branches, but otherwise unaltered; and a number of other necessary but small changes were effected. Everyone who has had experience in young and vigorous organisations knows what exhaustless energy and minute attention can be given to such details, and this is healthy. The strength of every institution depends upon the willingness of its constituents to spend themselves in the mastery of detail, when it is necessary. Our suppositious poet would at least respect, even if he were left uninspired; for poetry has its intricacies of technique.

Notwithstanding the scale upon which the Wholesale Society was operating at the time of “attaining its majority,” the federation

The Story of the C.W.S.

still was represented by very modest central premises. Yet, while departments were cramped for space, and were rearranging and exchanging between themselves in the effort to make much of little, the Society possessed daily credit balances which rarely fell below £200,000, and often stood at a quarter of a million. Until September, 1885, delegates objected to any investment in consols, preferring that the Committee should employ the capital in co-operative enterprise. The most immediate possible investment was in land around the C.W.S. headquarters, and the Committee missed no reasonable opportunity of purchasing. A similar policy was being pursued at Newcastle and London. At the end of 1885 the chairman was able to tell the delegates that £90,000 was being expended upon extensions in these centres. Obedient to the still-existing spirit of caution, he was careful to point out that the £340,000 so far spent upon premises had been depreciated by £93,405, hence the new outlay could be said to involve no real addition to the capital sunk. Later purchases, however, needed no special apologies. With the devotion of the Society in the main purely to its own business, qualms and doubts were set at rest, so that in 1888 the *Co-operative News* was able to comment on the remarkable absence of all opposition to additional purchases of land for future extensions of central premises.

Out of the £90,000 a sum of £40,000 represented developments in Manchester. These provided new opportunities for the furnishing department. The inability of small societies and the reluctance of large ones to keep such stocks as a furnishing trade demands has always tended to convert the C.W.S. furniture warehouses into salerooms for retail buyers armed with societies' permits. In 1887 the number of orders ran to 20,000 yearly, making the additional room that became available in July of that year particularly welcome. The boot and shoe department still had to rent warehouse space, but by 1891 the new structures reaching toward Corporation Street became consolidated in one block. In London, by this time, the C.W.S. was housed in a handsome building. Externally, although not unattractive, the now extensive Manchester premises still had something in common with Portia's leaden casket. Yet they possessed at least one fine apartment within, this being the large, light chamber which two hundred clerks were glad to occupy in place of their previous crowded and stuffy quarters. The designs for these extensions were prepared, and the work done by, the C.W.S. own building department. This department had arisen from

Clock Alley.

theruins of the Union Land and Building Company—one of the disastrous failures of the late seventies. The company had contracted for C.W.S. work, and the debris of the venture, coming to the federation as creditors, was used to equip a small department for repairing and jobbing work. Unostentatiously the latter had grown, developed, and become able to execute work of this magnitude.

With extensions to the drapery departments at Dantzic Street, completed by the end of 1891, the C.W.S. headquarters began to assume something like their modern aspect. At the same time a bold and wise purchase of land, in 1888, at the corner of Balloon Street and Corporation Street, had extended C.W.S. property so as to provide for a future that was coming much more quickly than the average co-operator supposed. Incidentally to these changes a memorial of old Manchester vanished. When the site of Balloon Street was a field, Clock Alley lay on its town side, with gardens running into the field. It was the home of fustian cutters and smallware weavers, the latter being makers of "clock lace" for military facings. By 1885 it had degenerated into a slum, to all appearance dirty and drunken. Nevertheless, the inhabitants included ancient residents of from sixty to ninety-nine years, and sickness was said to be "scarcely ever heard of." The demolition of the old double-walled, oak-raftered cottages brought some interesting particulars into the *Manchester City News*, and a contribution by Ben Brierley, the Lancashire author, sent hundreds to visit and revisit the old Alley. In the *Co-operative News* the C.W.S. rent collector explained that actually the cottage interiors had been kept very clean by the dwellers, who made free use of the limewash abundantly supplied. Home is home, and residents in the Alley for fifty years departed only with the greatest reluctance.

In Newcastle, following the erection of the drapery warehouse, in 1884, a steady extension of the Waterloo and Thornton Street buildings went forward. Successive purchases gave possession to the C.W.S. of land along both streets, and further buildings eventually rounded off the block. Even before £4,000 was spent on the last plot of land in Thornton Street, an expenditure of £15,000 was sanctioned (September, 1890) for adjacent but not adjoining land in West Blandford Street. When the Newcastle Branch, under the chairmanship of Mr. T. Tweddell, celebrated its "coming-of-age," as a Northern event, in 1892, with Messrs. Burt and Fenwick,

The Story of the C.W.S.

Dr. Spence Watson, Messrs. Maxwell, J. C. Gray, George Hawkins, and others present to congratulate the Northern co-operators, the branch already was able to boast "one of the finest ranges of warehouses in the city." A fire at Thornton Street, on the morning of Sunday, October 14th, 1888, proved no more than an incident in this period of development. A system of automatic alarms served to acquaint the brigade quickly, and very soon the mischief was controlled.

In London the big development of this period was celebrated on November 2nd, 1887. This was the opening of the new Leman Street premises, under the now well-known clock tower. The serious injury to the original, square-shaped building by the fire of December 30th, 1885, on the tea department side, helped to necessitate the new erection. This fire raged for three hours on that evening before it was brought under control. It proved much more destructive than the Newcastle outbreak, and it had the distinction of being the largest ever suffered up to that time by the federation. One might call it an ill fire that lights nobody's path, for a woman passing by (whose husband had been out of work for three months) noticed and at once reported the outbreak, and her prompt action gained her a sovereign. As shown by the claim made upon the various insurance companies, the loss amounted to some £25,600 on account of stocks, and £10,400 for buildings and fixtures, a loss of £36,000 in all. The sum afterwards recovered from the companies was £28,600. Temporary premises for the tea department, at 116, Leman Street, were taken on the morning after the fire; but, the delegates' meeting-room being destroyed, the Quarterly Meetings had to await the new building before the Societies' representatives could gather on their own floor. In the meantime they received generous hospitality at Toynbee Hall, that very convenient chamber being freely lent by the Rev. S. Barnett. The general business, which had to put up with little worse than a foot of water in the provision cellar, was continued at the same address, until both for this and for the tea department, with its two hundred employees, the fine new home was provided. The architect was Mr. J. F. Goodey, of Colchester, already a member of the C.W.S. Committee. Authors may not be read or not read intelligently, and painters often need critics to discover and point out their excellence, but the architect has the advantage of his work being in all men's sight; and eulogies of Mr. Goodey's design were frequent. Among those who attended the opening proceedings, under the ever-popular

Ideas of Progress.

chairmanship of Mr. George Hawkins, were the Rev. (afterwards Canon) S. Barnett, together with the then sub-warden of Toynbee Hall (Rev. T. G. Gardiner), Professor Foxwell, Messrs. Neale, Holyoake, J. C. Gray, E. O. Greening, W. Lister (of the Civil Service Supply Association), and, of course, the entire C.W.S. Committee and the heads of departments. Mr. Maxwell was there with other Scots, for, as the Scottish chairman said at the Ipswich Congress, "the two Wholesale Societies were so closely allied that he seemed to be almost as much connected with the English as the Scottish Wholesale." George Hawkins said "it should be their aim to make this beautiful building a common home for all the various movements having for their object the interest and advancement of the working people." But although conferences of many bodies, and upon many subjects, have been held at Leman Street, the full sense of these words for various reasons was doomed to remain unrealised. The chairman of the C.W.S. made a vigorous and characteristic speech. Some passages in it had more than passing value, for they embodied the ideas which then were in the flesh and blood of the federal leader, and through him were influencing the policy of the C.W.S. Said Mitchell—

He did not come before that meeting with an orthodox form of address, prepared and written for the occasion. His duties and engagements left him little time for that sort of thing. The history of the past showed very clearly that power followed the possession of capital and property, and when they became possessed of these they would become powerful too. The system of co-operation was not a negation, but an earnest and determined attempt to regulate the commerce of the world for the benefit of the many instead of the few, and it had become a great power in this country. It was the best system for securing the greatest good of the greatest number, and formed the only means of practical reformation for the people. . . . There was another question in which they were much interested. As co-operators, they had the greatest possible interest in good government and in peace all over the world. He would not trench on politics, for co-operators belonged to no party or sect, but to that great class called humanity, and will strive to do that which will aid the distressed and the unemployed everywhere. He thought the time would soon come when our movement will exert a beneficial influence on our relationship with all other countries. He thought so for this reason. Their business with other countries was large, and growing fast. They wanted their representatives abroad to know that co-operators cannot have their interest in this trade interfered with, and that our diplomatists should be required to cultivate cordial relationships all over the world. . . . In this vast city of London there was very much they had to learn. They needed better municipal and parochial institutions. In a town where the poor pay high and the rich pay low rates there should be an amalgamation to equalise the public burdens. It was no wonder that under such a system as existed the poor were numerous.

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The vested interests in the way were a gigantic evil; and they should be determined to get into their own hands the control of the water and the gas and other similar public affairs, and break down these vested interests for ever by paying them out at fair rates, and get all the advantages for themselves. We want no spoliation; we want full freedom for the entire body politic to manage its own affairs in its own interest. Co-operators should fight for the general good, and insist on improved government for London.

Before "99, Leman Street" was completed, a far-sighted purchase of land had been made (1886) on the other side of the way, where eventually "100, Leman Street" arose.

The new building that stood up in Whitechapel testified to the C.W.S. in a city where such evidence most was needed. Yet the cost for some time told heavily upon the weaker departments of drapery and other "dry goods." One might almost say it forced some of them to confess their actual state. For although the weight of the statutory depreciations could be given in good faith as the reason for the losses of 1888-9, a second cause was twice indicated. This was the trouble previously experienced at Manchester, a trouble always apt to recur. Provided they remain eatable, general groceries have always some value; but last year's mantle or hat, buttons or trimmings, or even prints and shirtings, may be like last week's newspaper. It was because of these personal and fleeting elements of taste and fashion which he had more obviously to consider that the draper's young man used to consider himself as some degree above his fellow shop-assistant behind the grocery counter. In the early part of 1889 there was a change of management. Mr. Waddington, the present head, who had seen the beginnings of the drapery departments at Manchester and Newcastle, and had come to London in 1881, was now put in charge. The drapery stocks were "carefully revalued" and specially depreciated by "some hundreds of pounds;" and again at the end of the year stock was cleared out by means of special sales at a loss of £600. Further depreciations followed, until the "palatial structure" of the soaring Southern co-operators was sharply criticised at Newcastle. During 1890, however, the position became "fairly satisfactory," and in 1891 a net profit was recorded, after which the drapery departments ceased to call for special mention in the general returns of London Branch prosperity.

The reader may be tiring of the records of new buildings and extensions, and therefore one may pass lightly over the beginning made at Longton in 1886. It grew out of the furnishing trade. The purchase and collection of pottery in the Potteries instead of

In the Five Towns.

from Manchester, Newcastle, and London, was an obvious and necessary centralisation. Small premises were rented, therefore, at Longton, the southernmost of the Five Towns. A little later the C.W.S. sought to buy land for building upon, but the negotiations fell through, and it was not until the end of 1888 that a purchase was made at King Street, Fenton. Here, upon part of the plot, the depôt buildings were erected, and eventually again and again extended. Ten years later a decorating department was added, and a kiln built for the work of finishing. Two more kilns were brought into use later. The Potteries was for a long time perhaps the most provincial of England's innermost parts. Although then as now it produced delicate and beautiful wares, and exported them over the globe, the district itself outwardly was squalid, mean, broken up into separate communities, and peopled with poorly-paid workers, the despair alike of the trade unionist and the co-operator. Even yet, with moorlands on the east, a purely agricultural country to the west, and a local railway system of its own, it is still a rather isolated region, comparatively difficult of access from Manchester and Birmingham. But the amalgamation of its towns in one important county borough is significant of a new spirit, and the union of its co-operative forces under the title of the Burslem and District Co-operative Society, with the subsequent progress of that society, show that the workers of the Potteries mean in the future to strive for their full inheritance.¹ Meanwhile, the C.W.S. at Longton has developed a big purchasing centre that not only has become to some extent a pottery itself, but has consistently striven to minimise the evil of lead glazing. It has used its purchasing power to support the better employers only, has stocked leadless glaze ware, and preferred, where possible, pots made by processes in which lead is used least.

This last claim was challenged, but unsuccessfully, in 1892. About that time Mr. A. Brownfield, a partner in an old-established firm at Cobridge that at one time had occupied a leading position, succeeded in converting the business into a copartnership society—or, as he named it attractively, a Guild Pottery. Pressure afterwards was exercised upon the C.W.S. to obtain a support for the Brownfield Guild Pottery, which Mr. Rhodes, then as now the C.W.S. buyer at Longton, on business grounds, did not by any means feel justified

¹The first society established under the joint propaganda scheme of the Co-operative Union and the C.W.S. (see page 168) was at Longton. Helped from the depôt, through its branches eventually it became strong, amalgamating with the Burslem Society only because of success leading to overlapping.

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in giving. The productions, he considered, were not those demanded by the co-operative market. Zealous for the new society, Holyoake, in the *Co-operative News*, then charged the C.W.S. with buying "largely from mad potters who had recourse to sweating." This was strongly resented, Mr. Rhodes in his reports declaring that "the working people are my own people, . . . their welfare is as dear to me as to Mr. Holyoake." Neither proof nor apology, however, was obtained by the C.W.S. Committee, who, after many letters, allowed the matter to drop. Meanwhile, a prolonged correspondence with the Guild Pottery and its "chief worker" had proved barren of result, and the Pottery was at odds with the Society during the years immediately following. But early in 1896 negotiations were reopened by the C.W.S., to such purpose that the Society now became sole agents to co-operative societies for the Guild Pottery. The latter made efforts to meet the co-operative demand, and from 1896 until 1900 a steady and considerable support was lent by the Longton Dépôt. . . . The co-operative wine, however, if so we may call it, was being put into an old bottle. An alteration of the Pottery rules had taken place in 1895. A management committee of employees, with Mr. Brownfield as manager for life, had been superseded by a governing body drawn from shareholding distributive societies, potters' trade unions, and employees, and empowered to appoint a manager. The step proved unavailing. A year or two and the Pottery was in liquidation, with shares worth only 6s. in the £. A meeting of delegates from co-operative societies to effect a reconstruction was held at Cobridge on November 26th, 1898, and they listened to a narration of various reasons of failure—all of which, however, were details compared with the outstanding fact of the Pottery being unfit for re-adaptation. This was proved when, in the summer of 1900, the business failed finally and completely. The lesson, of course, was the old one—to build up from the consumer rather than to anticipate the command of his (or, more generally, her) adhesion.

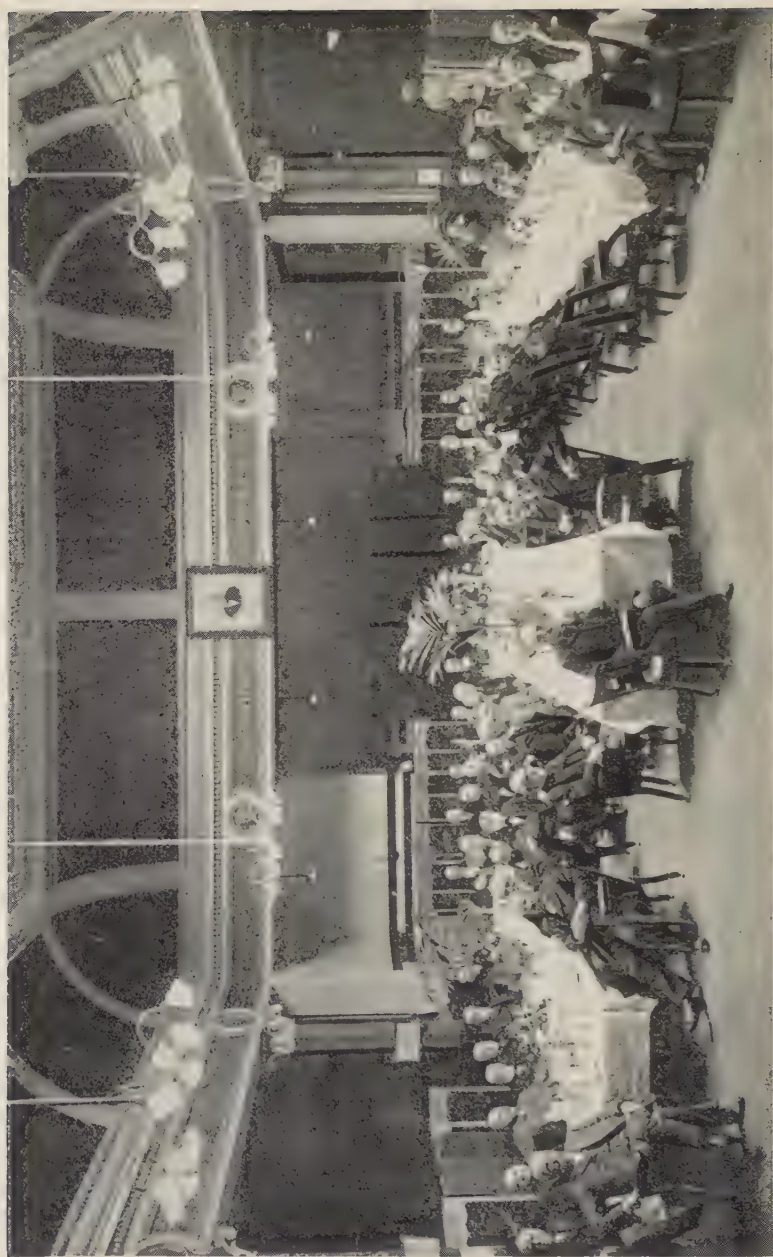
Still confining ourselves to the constitutional and mercantile growth of the C.W.S. during the years immediately following 1884, we find ourselves, in 1886-7, at the beginning of the direct importation of dried fruit. From September, 1885, to September, 1886, the total sales of dried fruit amounted to £56,971. The C.W.S. officials, however, were not satisfied. At a joint meeting of English and Scottish C.W.S. buyers, under the chairmanship of Mr. W. Maxwell,



DRYING CURRANTS ON A MONASTERY ESTATE: A C.W.S. BUYER'S SNAPSHOT.



BRINGING FRUIT INTO THE C.W.S. DEPÔT AT DENIA.



THE OLD DINING ROOM (THE GENERAL MEETING ROOM OF 1869-1907) AT BALLOON STREET, MANCHESTER,
SHOWING THE RE-UNION OF PAST AND PRESENT DIRECTORS, AUDITORS, AND SCRUTINEERS,
ON AUGUST 23RD, 1905.

First Visits to Greece.

it was stated that six interests were operating between the producer and the consumer. Inquiries had been made from the Greek Consuls in Liverpool and Manchester, "but they knew less about the dried fruit trade than we did, and could give us no information." The Foreign Office being applied to, referred the Society to a Blue Book containing a report from an English Consul in Greece. The Blue Book was obtained, to find that it gave less information than a trade circular. Therefore, the buyers reported "we have given up the hope of getting the requisite information from official sources, and think we shall have to make inquiries for ourselves on the spot." Mr. Maxwell thought it "high time the Committees took some steps," and Mr. Mitchell promptly moved that "the matter be remitted for prompt action to the Committees in Scotland and England . . . to get fruit in the first market." "We have had the same difficulties to contend with in Copenhagen, in Ireland, and elsewhere," the English chairman continued, "and they have been overcome." Accordingly, in August and September, 1886, Mr. Tweedale, the C.W.S. buyer, paid a first visit to Greece, and obtained fruit of "exceptionally good quality." The following year the C.W.S. Committee proposed that one of their number should accompany him. Under the £50 limit for deputations they asked approval from the delegates. This limitation was being seriously regarded. A deputation to Denmark having cost £50. 7s. 6d., the Committee, with a more or less unconscious irony, apologised for having exceeded the £50. The Grecian visit was to cost about £100, and the delegates criticised it freely. Could the buyer not be trusted to go by himself? What value lay in the presence of a committee-man unacquainted with the language? Various delegates themselves volunteered, and at last Mitchell suggested voting "that we all go." Ultimately, the proposal, which was carried unanimously in London and against a slight minority at Newcastle, on a show of hands at Manchester found a "decided majority in favour of it." In consequence, Mr. T. Bland, of Huddersfield, accompanied Mr. Tweedale that year. Fruit was bought to the value of nearly £90,000; and an enthusiastic Greek christened his new barge (with due formalities) "The Co-operative Wholesale Society." In 1888 came the two experimental voyages of the *Equity*, and some sixty buyers were invited, on the completion of the first trip, to visit the boat at Liverpool and see the fruit. In 1889, on October 21st, a special sale of dried fruit was held at Liverpool, 400 to 500 tons being sold. This was repeated in the following year on a larger scale. In 1891 the

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Co-operative News referred to the sale as "an annual co-operative event," and continued—

No step which the Wholesale Committee have taken during the past five years has proved more satisfactory in its results than their decision to try and break through the line of middlemen who stood between them and the fruit producers; and, what is also of importance to note, the result has been equally satisfactory to the producers themselves. Since the visit of the first deputation the Society's trade in the articles has developed enormously, while the constituents of the Wholesale have been supplied with a better quality of fruit than they ever were before.

The year 1891 saw the first C.W.S. fruit-buying deputation visit Spain, while the London Branch in that year held fruit sales, not only in London, but also at Bristol, Cardiff, and Northampton. In 1892 the C.W.S. inaugurated what the Liverpool press described as "a new trade for Birkenhead," when a steamer with a full cargo for the C.W.S. brought "the first consignment of the kind that had entered the docks." In that year the C.W.S. was renting a bonded warehouse at Seacombe, and here the buyers gathered. The following year witnessed the first special fruit sale at Newcastle. It was held in the shed which then represented the C.W.S. on the quayside. Sixty-eight societies sent delegates; four hundred tons were sold; and decorations, dinner, and speeches marked the festival character of the day. The chief sale of 1894 took place at the Liverpool Corn Exchange, but, so far as Liverpool was concerned, the opening of the Manchester Ship Canal already had cast a shadow upon it. And in 1894 the same steamer that previously had discharged in Birkenhead brought her cargo into Salford Docks. After the sale at Balloon Street on this occasion the societies' representatives were taken for a trip down the canal as far as the then new soap works at Irlam. As a pleasure excursion, however, it hardly equalled the breezy trips up and down the Mersey which Mr. A. W. Lobb (at that time the chief C.W.S. representative in Liverpool) had been sedulous in arranging. At any rate, the *Co-operative News* pronounced the new waterway "smelly." Of recent years, with Mr. J. Mastin at headquarters as the chief fruit buyer, these sales have reached gigantic dimensions. The total business done on the sale days at the respective centres in 1912 amounted to the astonishing figures of £1,127,790. General groceries of all kinds were, of course, included in this total, in which the actual share of dried fruit proper was £321,785.

The direct dried fruit trade of the Co-operative Wholesale Society, including its associations with Greek monasteries and

Greek Merchants and British Taxes.

Greek merchants, Turks and Levantines, fig gardens and camel trains, the old countries of the Mediterranean and the new lands of the West, and including also its annual festivals from end to end of the kingdom, with dinners and music and greetings of friendly buyers, and the contributions through a thousand local societies of fruit and peels and delicacies for the million feasts of co-operators each English Christmas—this trade, with its history continuous for twenty-eight years, itself could form the subject of a book. Here one can only hint at the oppositions of interested parties in Greece and elsewhere, at the surprise and gratitude of Greek suppliers when they found their mistakes rectified to their own advantage, at the successful efforts of the Wholesale Society to prevent the fraudulent marking of cheap currants as “Vostizza,” and at the recognitions of C.W.S. action, as when Messrs. Mitchell and Tweedale, at the request of the King of Greece (in 1893), were decorated by the Greek Consul in Manchester with Greek orders of knighthood. One episode, however, may be quoted in full for its bearing on fiscal questions. In 1890 the duty upon currants was reduced (by the Conservative Government) from 7s. to 2s. When the C.W.S. buyers arrived in Greece a few months later, expecting to purchase at about the same prices, they found the English consumer forestalled:—

The Greeks had got the idea they should have the full benefit of the reduction in duty, because they had given the English the full equivalent in a reduction of the duties on cotton goods. We endeavoured to show them that if the reduction in duty was to benefit Greece it must be by an increased consumption of currants in England, and in order to bring that about it would be necessary to reduce the retail price at home by $\frac{1}{2}$ d. per lb., which could not be done if the price was much increased in Greece.

However, the Greeks were obdurate, and although the Englishmen reserved their purchasing for a time, in the end they were obliged to pay from 1s. 6d. to 2s. above the prices of the previous year. Because of the trouble with the Customs that year, and “the serious interference with trade” on account of a duty that as regards currants only yielded £100,000 gross, the C.W.S. unsuccessfully sought from the Chancellor of the Exchequer (Mr. Goschen) an entire remission of all the duties on dried fruits. . . . In the Spanish branch of the business it is to be noted that a permanent establishment has been set up. The old town of Denia, seventy miles south of Valencia on the Mediterranean coast, is a centre for the Valencia raisin trade, and, as a result of buyers’ visits to Spain, premises in fruit-packing were rented in this town in 1896. Twelve

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years later the C.W.S. acquired land and erected the present extensive building, in which some six hundred persons, under Mr. W. J. Piper, are employed during the season in picking, packing, and shipping fruit.

From 1887 until 1890, after a long period of falling prices, a temporary rise took place. Yet in 1890 prices were lower than the present level. The absolute figures of C.W.S. trade, therefore, were below what would be their equivalents for the same volume of business now. Nevertheless, their total had begun to appear huge. From £4,675,371 for 1884 it had risen to £7,028,944 for 1889. The profits had risen from £54,491 to £101,984, and the average dividend on sales from 2½d. to 3½d. in the £. The capital embarked (£1,251,635) had almost doubled. In addition to its business operations the Society had become a liberal donor. Colliery disasters, like those of Clifton Hall, Silkstone, and Longton, were followed by donations; seasons of unemployment and distress were considered, and disasters like the earthquake of 1886 in Greece; and the hospitals steadily received their share. Of particular grants, £300 went to a Neale scholarship at Oxford, £100 to the cost of a Manchester meeting of the British Association, £100 to the Rutherford Memorial College at Newcastle, £50 to the veteran Henry Pitman, and £50 to the Holyoake annuity. The Manchester Jubilee Exhibition was guaranteed to the extent of £1,000, and a mining and engineering exhibition at Newcastle up to £500. The Co-operative Union scheme of propaganda at last received support, to the extent of £2,000. Away from money matters the Society had to lament the loss of Richard Whittle (of Crewe), Samuel Lever (of Bacup), and William Hemm (of Nottingham), all familiar workers in the growing Society and members of its Committee. In 1886 also came the death of Lloyd Jones. Owenite, chartist, associate of the Christian Socialists, pioneer of wholesale co-operation and co-operative leader, he was lamented by J. M. Ludlow as "for strength of lucid exposition and argument as a business speaker only and scarcely excelled among his contemporaries by Peel and Cobden," and "in his own peculiar line, one of God's truest soldiers in his generation."

CHAPTER XVIII.

THE DEVELOPMENT OF PRODUCTION.

Crumpsall—and a Competitor—Ten Years of Bootmaking—The Wheatsheaf Works—Heckmondwike—A queer Legal Question—Corn, Cloth, and Cocoa—Batley Woollens, Leeds Clothing, and a Charge of Sweating—Luton Works—Sneezing at Pepper—The American Cheese Factories—A Sub-chapter on a long Controversy: A History and an Elucidation—Years 1888-90, and to 1912.

IT is now time to pick up the story of the productive works where we left it in the seventies and the early eighties. The Biscuit, Sweet, and Sundries Works at Crumpsall continued to produce its variety of articles with satisfactory results. In 1885, indeed, we find the Committee apologising for a large profit—it amounted to £885 for the quarter. It would have been less, the Committee explained, if they had either reduced the prices or paid the cost of the carriage of goods out to societies. These alternatives had been under discussion, and the former course was to be taken. In the next quarter the profit fell to less than £100, without an increase of trade; but later on both the amount of supplies and the profits grew satisfactorily. In 1885 a traveller first was sent to the societies direct from the works, and this helped. The same year also saw fruit preserving begun. It added to a miscellany of production, from biscuits to dry soap and black lead. The announcement of the fruit preserving aroused no comment at the Quarterly Meetings; yet it quickly became an important branch of the business. For the next few years increases of trade and profits generally were reported. Occasional losses chequered the sunshine, but these usually had some connection with new burdens of depreciation upon the frequently-extended buildings.

Apart from this domestic career, Crumpsall came into the heat of controversy in 1890. The Co-operative Sundries Society had commenced business in Manchester, and desired to become a member of the C.W.S. Two-thirds of its sales already were through the Wholesale Society; but the C.W.S. Committee objected. Before entering into any field of production the executive of the federation had first obtained the consent of the constituent societies. Goods of C.W.S. production had, therefore, an especial claim upon the latter. On the other hand, the Sundries Society had originated (in

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1885) almost as the private venture of two individuals. In 1889 the shareholders included seventy employees and private persons (some of the latter being store managers) and only twenty-three societies. And their association was not producing simply to meet the needs of its corporate members (as the Barnsley retail society made shoes), but it was competing with the Crumpsall Works for the general trade of retail societies not otherwise supplying themselves. In one instance (said Mr. E. Hibbert, of Failsworth and the C.W.S. Committee, who led the case against admission) the C.W.S. made and supplied mincemeat. In the next season the demand was divided between the C.W.S. and the Sundries Society, and the Crumpsall Works had barrels left in stock. To admit such a competitor to membership would be wrong. "And," said Mr. Mitchell, "one wrong course will sometimes destroy the vitality of the most powerful institution." The friends of admission, however, included a long list of well-known names. The Sundries Society was a registered and accepted body, a member of the Co-operative Union, and an exhibitor at Congress exhibitions. The Congress leaders saw tyranny in exclusion. By E. V. Neale the question was put: "Does the Wholesale Society exist for co-operation, or co-operation for the Wholesale?" But the view taken by the C.W.S. Committee, "out of strong conviction, and not from prejudice of any kind," decisively prevailed. The result of a discussion extending over two Quarterly Meetings (December, 1890, and March, 1891) was a vote of 319 for admission and 589 against.

The Soap Works at Durham, meanwhile, pursued an even and uneventful course. . . . At Leicester, during 1885, the then manager of the Boot Works, Mr. Dadley, died suddenly while on business for the Society in Paris, and Mr. John Butcher was induced to return to his old post. He at once commenced to introduce the new American machines, which already were revolutionising the boot trade—the C.W.S. being the first manufacturers to introduce complete sets of these inventions. The price of leather was falling, also, although not at the same average rate as other commodities. Between 1875 and 1894 the cost of sugar, cotton, wheat, and wool all fell by more than 50 per cent, while in leather the average fall was only 22 per cent. However, in the first quarter of 1886 the Leicester Works reported an increased output of over 5,000 pairs, with a money return only £192 in excess. The average price per pair had dropped from 5s. 5½d. to 5s. 2½d. Later still, it fell to about 4s. 8d., the general tendency being furthered by an

The Wheatsheaf Boot Factory.

increasing demand for lower-priced footwear. Nevertheless, the works continued to show profits that quarter after quarter ran into four figures. Occasionally they fell, or even descended to a loss, as in one quarter of 1888, when production was maintained at losing prices. Owing to the difficulty of getting work done regularly in the borough during the summer months, from 1874 certain manufactures were given out at Enderby, a village some four or five miles distant from Leicester, a room being rented for this purpose from the Enderby Co-operative Society. To bring this work under direct C.W.S. control a small factory was built at Enderby in 1888. The year 1890 saw 150 workers employed there, compared with about 1,300 at Leicester. In the borough, however, over four hundred of the C.W.S. operatives remained outworkers, and 10,000 pairs of C.W.S. boots and shoes thus might be scattered over the town. Meanwhile the demand grew as if nourished on Mr. Wells's *Food of the Gods*. So, with a trade within sight of a million pairs a year, the Committee began to discuss new works. Mr. Butcher, in one report, suggested the buying of "50 to 100 acres within a two miles radius of the town of Northampton," whereon to build both workshops and dwellings; and the possibilities of London and Norwich also were investigated. Under the circumstances of the time, however, it seemed best to concentrate all the bootmaking at Leicester. The Committee therefore decided upon a forward step. This was to buy six acres of open land, at £400 an acre, in what were then the rural surroundings of Knighton Fields, on the pleasant, residential south side of Leicester, and to build here a big modern factory, principally of one storey, on a plan already adopted successfully by the Scottish Wholesale Society.

Opposition to the proposal came only from the Leicester delegates. The new site was something over a mile from the existing works—a tremendous dislocation. The objection of outworkers was natural, "but," said the *Co-operative News*, "of late home work, sweating, and insanitary conditions have come to be synonymous terms." So "the finest boot factory in the kingdom" arose on Knighton Fields, its main room covering an acre and a half in itself. Moreover, the manufactory was designed and the work carried through by the C.W.S. building department under Mr. Heyhurst, with Mr. I. Mort, now of the C.W.S. Committee, as clerk of works. The actual cost of the building, exclusive of the land, was £32,000. Roads were laid out round the factory, but the cottage dwellings which quickly lined them were put up by private builders.

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Under the chairmanship of J. T. W. Mitchell, and in the presence of Alderman Kempson, then Mayor of Leicester, the Mayor-elect, Sir James Whitehead, Alderman (afterwards Sir Thomas) Wright, Messrs. Shillito, Maxwell, Neale, Gray, and others, the new building was opened on November 4th, 1891, by Mr. T. Hind, of the C.W.S. Committee, and at that time a member of the Leicester Town Council. The C.W.S. output of boots and shoes from Leicester had now passed the million pairs yearly, but the new hall of industry provided for more than twice that number. As the factory got into working operation the number of employees doubled, jumping up to over 2,200. With the larger scale of operations the quarterly profits rose occasionally to over £4,000, but occasionally, also, were chequered by three-figure losses. One effect of the big works was to break down the primitive idea of quarterly stocktakings. Half-yearly reckonings were instituted at Leicester "as an experiment" in 1893, and ultimately became a universal rule. The C.W.S. rarely parts with premises once acquired, and the West End Works, being used for making small shoes, and boxes for boots and shoes, remained, with the Enderby factory, as supplementary places of manufacture.

The Leicester development was attended by other results. Two strikes took place, one in 1886, the other in 1892. Both had a startling effect upon the co-operative mind. The 1886 dispute was not the first in C.W.S. history, having been preceded by the irregular and unsupported stoppage at Heckmondwike, but it was magnified in the controversies of the time until it seemed unprecedented. Yet it was no great matter. It centred entirely upon whether work had been sent from Leicester to Enderby at prices below the Leicester rates, and upon whether Enderby workers had thus been put in competition with Leicester. Mr. Butcher in the first instance met the riveters and finishers who alone were concerned, and in proof of good faith offered to send the Leicester list to Enderby to be paid from, and this was accepted as satisfactory. Afterwards a question arose of deductions for carting to and from Enderby, and while this was in course of settlement the strike took place—"without any further complaint or notice." It was announced at Manchester only by telegram, on September 22nd. On October 2nd the C.W.S. Committee met the workers' representatives, and the strike terminated on October 5th. Controversy ranged over six months more, however, at the C.W.S. Quarterly Meetings and in the correspondence columns of the *Co-operative News*. Official statements were published by the C.W.S. to prove that the Society paid



THE C.W.S. WHEATSHEAF BOOT AND SHOE WORKS AT LEICESTER: AN INTERIOR VIEW.



THE C.W.S. WILEATSHAEF BOOT AND SHOE WORKS AT LEICESTER; MACHINISTS' ROOM.

Disputes at Leicester.

the highest rates in Leicester, and were the only employers to allow a town rate for the country district of Enderby. In March, 1887, after the reading of a letter in defence of the Wholesale Society and themselves, signed by all the sixty-two C.W.S. Enderby workers, the delegates refused to be wearied by any further discussion.

The dispute of 1892 was of greater magnitude. On Monday, February 22nd, the finishers at Knighton Fields suddenly ceased work, and other departments were induced to follow suit. By the 25th the whole body were on strike. The union officials promptly advised a return, and indicated no strike pay, but the workers held out. The only grievance alleged was the tyranny of a foreman, who, however, on account of some conduct outside the works, as a then official of the union, happened to be in disfavour. The management was met by a demand for the discharge of this employee. Both sides were heard by the C.W.S. Committee, and the causes of the dispute were closely investigated. The result was a unanimous decision to leave the issue in the hands of the management. Mr. Butcher at the time was away through illness, but on his being able to attend to affairs the foreman was transferred to another position; and on March 7th the strike ceased. In this case, as in the other, a strike was commenced precipitately, and without reference to the C.W.S. executive. Indeed, 8,000 pairs of boots were left unfinished, and on this ground the Committee was advised legally to proceed against the original strikers for breach of contract. This the Committee naturally declined to do, preferring to waive the right; but they did not fail to point out that much trouble and expense to both parties might have been saved had they been properly considered.

While both these disputes arose over comparatively slight matters, there was an underlying contributory cause. The inventive genius of America was busy upon the boot and shoe industry, and separate machines were perfected to work upon each complete detail of the craft. The whole operation was being considered, and broken up into specialised labours capable of mechanical completion. Repeated deputations to America increased the number of such machines within the C.W.S. works. Everyday experience proved the necessity of the step. In one instance a large society re-ordered upon a big scale, and particularly specified that the boots should be hand-finished, "as the last." This was disturbing. Had all this new and costly machinery been imported for nothing? But a reference to order numbers and dates proved that the superior finishing which the buyers had so appreciated was the work of the

The Story of the C.W.S.

machines. Mechanism was giving a uniform quality, whereas the handwork had resulted in a dozen varying finishes for as many pairs. But the riveters and finishers rather naturally disliked the idea of their habits passing, as it seemed to them, under the rule of the machine, and would not always accept the opportunities given of mastering the new methods. . . . Outside the C.W.S. works similar introductions of machinery created suspicion and hostility upon a much greater scale. The complex dispute which culminated in the lock-out of 46,000 shoe workers for six weeks during March and April, 1895, was a direct result of this belated industrial revolution. Those who were distressed by the relatively slight C.W.S. disputes might then have taken heart from the sight of the Wheatsheaf Works remaining at peace with its 2,000 employees. Mrs. Creighton's life of her husband bears witness, also, that through Dr. Creighton, then Bishop of Peterborough, and Sir Courtenay Boyle, the management of the works was able, indirectly, to contribute toward the settlement of the quarrel.

At Heckmondwike, the C.W.S. Boot Works moved from hired premises to a mill which, with the land beneath it, was bought about the end of 1884. Round about this building—the Brunswick Mill—more land was acquired and built over. But, in 1887, this quiet progress was interrupted. The Committee proposed to curry and tan the leather required. At Newcastle the proposal passed without comment, but, in London, Mr. Greening objected. His amendment asked that legal advice should be taken as to whether the Committee had power under the rules thus to enter "a new trade" without obtaining the sanction of a special meeting, and he won the support of the Southern delegates. E. V. Neale, at Manchester, definitely was of opinion that power to manufacture boots and shoes did not include currying or tanning. Mitchell was willing that the legality of the Committee's action should be tested; but, characteristically, he continued—"If we have done wrong we will try and avoid it for the future; but if we have done wrong this time we shall want you to support us in the direction we have gone." So the matter went to the lawyers, who, as might be expected, were rather baffled by the odd inquiry. The counsel consulted by Neale returned a highly-conditional reply—against the Committee on the whole. The C.W.S. solicitors preferred to seek advice from a client of theirs, "a very experienced tanner." He replied that currying was certainly a distinct and separate trade, and then took the opportunity of drily remarking, "in these days, when folks are so anxious

Batley and Woollen Cloth.

to do everything themselves, it may be they will think it *expedient* to combine the two or three trades in one." The next Quarterly Meeting was declared special; and the delegates at Manchester, after this little humiliation, promptly cried "yes," and "yes" again, in approval of currying and tanning. But Mitchell now added, "and making furniture?"—which produced a pause. The now approved currying business, however, was continued, and it met with success, while at a later date a business of "re-tanning" was carried on.

From Heckmondwike it is not far to Batley; the two places are almost near enough for their factory smoke to mingle as it drifts towards Leeds. Here a Batley manufacturing company started in 1871. Particulars of it are to be found among the multitudinous facts of Mr. Ben Jones's *Co-operative Production*. The capital nominally was £30,000, in £5 shares, and working men were invited to take up shares at 2s. 6d. per month. A mill was built and called the "Livingstone;" but its adventures in the dark continent of profit-seeking ended without either gain or glory. Yorkshiremen met ill-fortune stoically, and no doubt many Batley and Dewsbury woollen workers were silent about the half-crowns and the hopes that disappeared together. To avoid a compulsory winding up, the company went voluntarily into liquidation in 1883. The C.W.S. were mortgagees, for a sum of £7,400, and the property came to the federation in consequence. Until 1886 the mill was let on rental; but in that year the Committee decided to recommend C.W.S. woollen-cloth making to the delegates.

Circumstances were conspiring for a large development. The Northern co-operators again were agitating for a C.W.S. Flour Mill in their midst. The tea department in London was ready to start making cocoa. Southern co-operators had wanted a jam factory in Kent, but their idea had proved very much too premature. Cloth, corn, and cocoa, however, were in sufficient demand for the Society to begin milling. A special meeting to this end was held on November 27th and December 4th, 1886. Corn milling was formally approved—practically it had been sanctioned already. Except (inevitably) at London, cloth making aroused no opposition. Indeed the discussion at Manchester was eked out by the pleasantries arising from an irrelevant demand for vinegar.

The Batley mill, therefore, went on as a C.W.S. enterprise. Batley has a name for shoddy, but this was a mill for making up

The Story of the C.W.S.

cloth from the original wool. Financially, however, early results were not satisfactory. The first loss was explained as nominal; but the subsequent deficits, up to 1890, amounted (with interest and depreciation) to over £6,000. The trouble again was old stock. In September, 1889, Mr. Boothroyd, the present manager, came to Batley. Stocks were drastically reduced, yarns depreciated, and a loss of £2,000 boldly piled up. The surgery had a healthy effect. Recovery came slowly but surely, and a prospering business in time became ready for the first of the three extensions, which since then have practically built a new mill around the original gritstone building. This complete restoration of the one-time productive society, given up as a hopeless case in 1883, must remain an eloquent argument for the federal method of co-operative production.

The burden of surplus produce at Batley caused the C.W.S. Committee to develop the manufacture of ready-made clothing. For more than one of the C.W.S. factories of this kind it is difficult to find a precise beginning, each has just "grewed." A sales department, with a certain amount of altering and repairing attached, was in existence at Manchester in September, 1888, when such "manufacture" of ready-mades as existed was transferred to Batley. By December, 1888, however, the manufacturing had become a matter of 150 suits per week. The department at Batley already was under separate management, and finally it was seen that it must also have a separate location. In Yorkshire, at any rate, Leeds is the only possible centre for this trade, and it was at Harper Place, Kirkgate, Leeds, that the C.W.S. rented premises and installed 60 machines. In 1892, during a dispute which connects more particularly with the history of the Broughton Tailoring Factory, very severe charges were made at the Manchester Quarterly Meeting (March 12th) against the Leeds factory. The chairman of the Leeds Trades Council, it was said, had written of the conditions as deplorable, and "totally opposed to the requirements of the Trades Council." The work, said an angry delegate, was done on the sweating system by women and Jews. Mr. Bates, for the C.W.S., replied that the average weekly wage at the C.W.S. Leeds factory was 22s. 4½d., and, after inspecting the wages books of the factory, Messrs. J. E. Whait and T. Buck, as president and secretary of the Leeds Wholesale Clothiers Operatives' Union, furnished a fairly complete refutation.

In 1894 the C.W.S. acquired land and buildings of its own at Holbeck, Leeds, and the ready-made clothing factory removed

The Leeds Clothing Factory.

thereto from Harper Place. At Holbeck the success has been continuous. Extension has followed extension almost with every other year, the last additions being completed only in 1913. The result of these developments is that the factory now ranks with the very largest factories of its kind in the country. It is a well-ordered hive of 900 workers. During all these busy years of increase, until his sudden and lamented death early in 1913, the wheels were kept running smoothly by Mr. W. Uttley, who has been succeeded as manager by his son, Mr. T. Uttley, who begins with the advantage of many years' training under his father.

Cocoa, in some quarters, is considered a dull and heavy drink. It is notoriously disliked, for example, by Mr. G. K. Chesterton. A history of its advertising, however, would prove this opinion of the beverage to be unreasonable. Wine itself could not have produced displays more flamboyant. The campaign has sobered, perhaps, since the days of 1897, when a cocoa firm arranged with the London 'bus companies to give every lady passenger a sample tin from hundreds of decorated 'buses. Yet the passion still burns, and breaks out continually in flaunting assertions of food value and healthful properties, which it would be shrinking modesty to describe as exaggerated. Indeed, the recent cheapening of cocoa (by the simple expedient of extracting the commercially valuable cocoa butter, and selling the "lean," but quite pure, remainder) has given an opportunity for a new campaign, so that in 1913 cocoa, perhaps, is still the most advertised of all commodities. Whisky, in this one respect, would be its only possible rival.

A heated controversy preceded the C.W.S. manufacture of cocoa. It was not upon the merits of the bean. The issue arose from a London productive society claiming the co-operative trade. Mr. E. O. Greening and his son, Mr. E. W. Greening, were the chief opponents of C.W.S. action; but the productive society also found one or two supporters as far north as Newcastle. The London Society had arisen from a meeting promoted by the Labour Association, held at Toynbee Hall, and addressed by Messrs. E. O. and E. W. Greening, in 1885. The ultimate business suggested by the promoters of the meeting was that of "manufacturing and packing articles of domestic use in common sale by co-operative societies;" and Mr. E. W. Greening proposed to begin with cocoa, "an article in large demand through the stores, and one yielding a fair gross profit." Messrs. Bland and Hibbert, for the C.W.S.,

The Story of the C.W.S

patiently defended the right of the thousand societies who already constituted the federation to supply themselves with cocoa. Mr. Hibbert, indeed, after narrating the steps taken toward a cocoa business during months and even years previously, asked if the progress of the Wholesale was to be stopped "because two or three men met in London and said 'we will manufacture for all the co-operators in England.'" The London Productive supporters were easily defeated; yet no advantage was taken of the victory. While the C.W.S. began to make cocoa and chocolate in the premises already leased for coffee roasting at 116, Leman Street, the Society also consented to act as agents for the Productive Association's cocoa, and continued to do so during the comparatively brief and troubled existence of the Productive at Thames Ditton.

The story of the cocoa business is mainly one of an uphill fight against the combined advertising and competitive powers of the English and Continental cocoa makers, who certainly are no mean adversaries. The business has had to adapt itself to the progress of the beverage, so that the C.W.S. cocoas which now appear in the Society's weekly price lists are very different from the "Homeopathic," "Pearl," "Rock," and other old-fashioned products once set forth upon the advertisement pages of the *C.W.S. Annual*.

In 1898 the question arose of moving the cocoa manufacture out of its circumscribed space in the heart of London. Silvertown was talked about, and plans for a cocoa works there were prepared, but the Committee always were dubious about the suitability of this site. Then the idea of going north developed, and Middleton, in 1900, seemed likely to be fixed upon. Altogether, in London, Manchester, York, Middleton, Harrow, Dunstable, and Luton, some twenty-five sites were explored before the final choice fell upon the breezy chalk hillside at the edge of Luton.

Here, under the management of Mr. Stafford, the first, bright, brick building has grown by enlargement until it threatens to cover all the employees' garden allotments that still remain on the sunny side of the works; while the town of Luton itself has grown and encircled a site that twelve years ago was a part of the countryside. The opening at Luton, by Mr. Shillito, took place under the chairmanship of Mr. Pumphrey, on September 8th, 1902, and a series of visits and demonstrations extended over a period of no less than five weeks. The output, which had been 33 cwts. weekly in the first quarter of 1888, rose to 247 cwts. in the first year of the new factory, while the average for 1912 was 560 cwts. The

Luton and Cocoa.

employees, of whom there were 190 in 1902, numbered 310 in 1912. Such facts, with the innumerable interesting but not historic details of everyday business, have chiefly constituted the story of the works. It should be added that the cocoa business, like the tea department, of which it is the outgrowth, is a joint property with the Scottish Wholesale Society.

In 1887 one or two co-operative societies were prosecuted and fined for selling "adulterated" pepper, which the C.W.S. had obtained and supplied. The Wholesale Society promptly had its pepper analysed. Two eminent analysts certified the merchandise to be pure, while two other reports, equally to be credited, were precisely to the contrary. In explanation it was said that a pepper absolutely free from natural impurities was difficult to obtain. However, in June, 1887, the C.W.S. Committee announced an intention thenceforward of undertaking the grinding of pepper, in pursuance of a desire to give the societies a pure article if it were within human power. At Manchester and Newcastle the delegates, who had previously taken a considerable interest in the question of pure pepper, passed over this statement without comment. But at London Mr. Greening again interposed. Pepper grinding might be a separate manufacture, even comparable to flour milling. Permit pepper, and mustard might follow. At any rate, the legal opinion of Mr. E. V. Neale ought to be taken as to the need of a special meeting. Mr. Ben Jones replied that to grind pepper was to prepare and not to manufacture. The controversy was worthy of the mediæval schoolmen; yet Mr. Greening's amendment was only defeated by 36 votes to 26. Pepper grinding thenceforth became one of the minor operations at Balloon Street. Until the year 1912 it was carried on in a small factory in Hanover Street, opposite the present Holyoake House, but the business has now become a department of the C.W.S. Silvertown Grocery Productive Factory.

At the time of the audacious pepper-grinding proposal, the C.W.S. Committee also sought power to establish a cheese factory in America. The Society had become an importer of American cheese to the number of 90,000 yearly, and the possession of one or two small factories (and it was estimated that a factory could be set up for £500) was expected to prove very advantageous to the federation in its cheese buying. It would protect the Society against fraud, and be a practical convenience under the special circumstances of American cheese production. The recommendation was endorsed

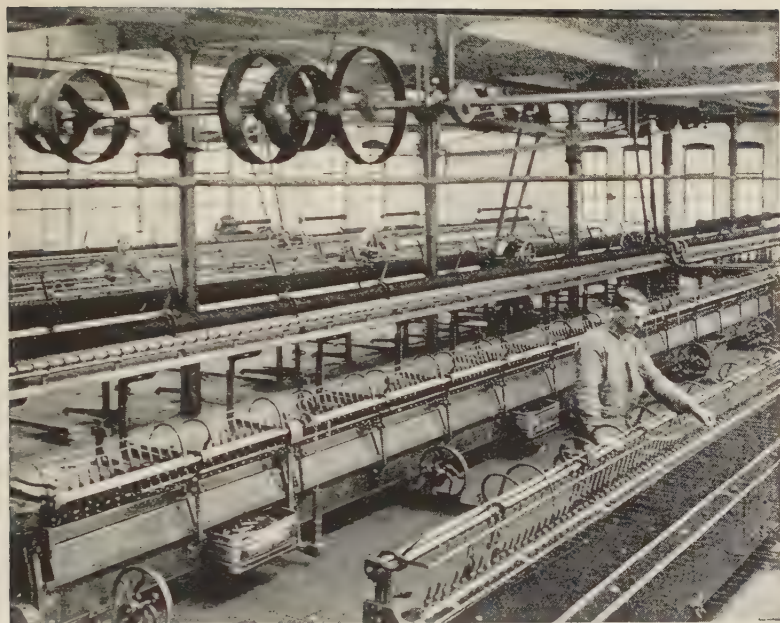
The Story of the C.W.S.

by all the English and Scottish Wholesale buyers concerned, and its approval would lead ultimately to four such factories in various widely-separated districts. This, briefly, was the case for the Committee; but it met with great opposition. One delegate was amazed at a proposal to employ American labour in competition (he declared) with Cheshire farmers. But the majority simply distrusted the starting of factories outside the British Isles. Added to their opposition was that of Messrs. Neale and Holyoake. They moved an adjournment, not in antagonism to the extension, but because the C.W.S. made no promise to share profits with its prospective American workmen. Their "theorising" was attacked; but here it must be admitted that they were on firm ground, since the absence of a consumers' co-operative movement in America would have made the alternative impossible—the alternative of the proposed cheese factory employees sharing profits and control through membership of co-operative stores. And it is notable that at this meeting the good sense of Mitchell would not allow him to agree with the "practical" men in their professed scorn of all theory. As chairman of the Manchester assembly, amidst laughter and applause, he said of the intellectuals:—

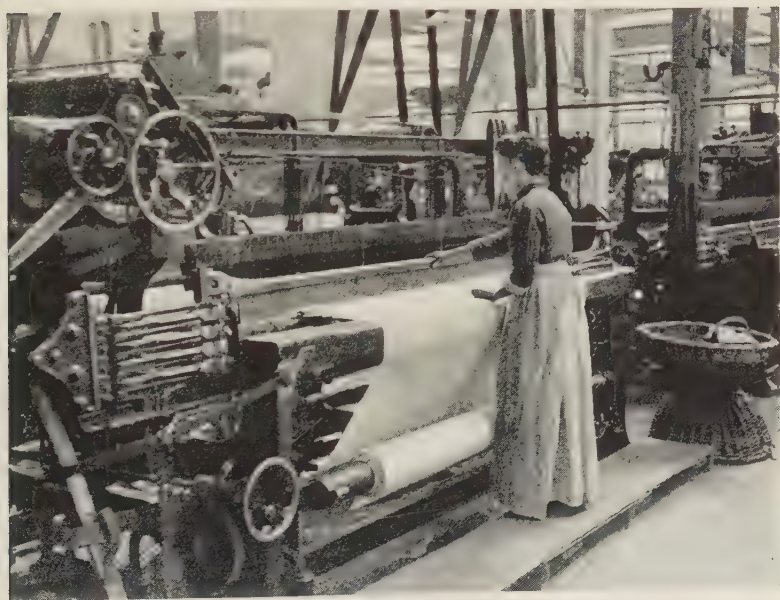
We rejoice in all the theories which they promulgate, and so far as we are able we put them into practice; but if we cannot put them into practice we put them on one side. I never have, and I hope I never shall, express universal condemnation of theorists. Theories are the basis of universal practice; and while the theorists think and we act, we trust that there will be permanent and beneficial association between the thinker and the actor as long as the co-operative movement shall stand.

At this meeting (September, 1887) "the ayes certainly had it," and the proposed American cheese factories, the discussion of which nominally was adjourned for twelve months, were not heard of again.

Underneath all the controversies aroused by this development of production there lay a very confused issue. It was a large and historic problem across which the co-operators had stumbled almost without suspecting it. In a more primitive stage of European civilisation than ours it was possible for every other worker to be a master craftsman, owning his instruments of production. Against the final destruction of this industrial freedom the Owenite movement was a last great unavailing protest. Yet the tradition of workers' self-employment did not die with Owen. Always powerful on the Continent, it inspired the French Socialists of 1848, and through



SPINNING WOOLLEN YARN AT THE C.W.S. BATLEY MILLS.



WEAVING WOOLLEN CLOTH AT THE C.W.S. BATLEY MILLS.



THE MACHINISTS' ROOM AT THE C.W.S. LEEDS CLOTHING FACTORY.

The Ideal of Self-Employment.

them the English Christian Socialists. But probably it sprang native from the ground amongst the more idealistic of the Rochdale Pioneers. It became an ideal of mid-century co-operation. Outside the co-operative movement it remained an independent force. Through William Morris this ideal of free craftsmen associated in groups began a new literary career, and in another generation we have seen the same force sending out another wave from France in the extreme labour movement of syndicalism.

But European civilisation meanwhile has become vastly more complex. And its development, while it has made impossible a resolving of society into a workers' paradise simply, at the same time has opened a newer and still larger prospect for democracy. The mediæval worker could understand the solidarity of society through devotion to his guild, his church, and his king. He could not have understood the idea of an organic commonwealth, a free community, organising industry not primarily for the workers, in the narrower sense of the word, but for the whole body. Indeed, although foreshadowed by ancient philosophers, and familiar in the religious world since St. Paul's famous definitions of the members and the body, as a principle to be followed in mundane affairs this idea is still new, imperfectly grasped, and undeveloped. The socialism of 1848 did not know it; the state socialism of Marx only partly recognised it, and the word "collectivism" to-day rather baldly represents it. The co-operative voyagers came across it incidentally rather than of intent—as Columbus sailed to the West "Indies." They landed on the shores of this unexplored continent when they discovered the consumer, and then found that everybody is a consumer and that an organisation of consumers is an organised whole. And by the lips of Mitchell the general sense of the idea continually was expressed in the phrase the "body politic." He was no abstract thinker, but he was tenacious of a true idea, and it was for its practical value that he held so steadily to a dim yet brightening ideal of industry by and for an entire community. In the democracy of such a community the masses of workers would always be secure of justice, although they would remain servants of the one united body. "Labour," said Mitchell (Newcastle Branch celebrations, December 21st, 1892), "in his opinion ever would secure a better reward in serving the body politic than in serving individuals;" and again (C.W.S. General Meeting, September 10th, 1892): "We have no desire to cheapen labour. We want to cheapen production by advancing labour as much as possible."

The Story of the C.W.S.

Now, in its full sense, this conception of co-operation primarily for the purchasing public was at least an alternative to the old ideal of co-operation for the workers. But confusion arose at first, because it was not seen theoretically as an alternative at all. Hence anyone doubting the old and still dominant ideal of workers' self-employment was likely to be considered faithless to idealism altogether. And, as the old ideal rarely worked and the new one did, the federal co-operators then made the mistake of setting "practice" against "theory," and "reality" against "sentiment," instead of perceiving it to be an issue of right or wrong theory and right or wrong sentiment. . . . If such a disentanglement had been made at the time it would have simplified controversy. It might have made a way, even, for some practical synthesis of the consumers' and the producers' ideals, based upon an accepted predominance of the consumer in all final counsels. Yet it is more probable that the time is still far away for such an ultimate settlement within the co-operative movement, for in regard to the nation at large the most advanced social thinkers—as represented by the Fabian Society's Committee of Research into the control of industry—are only just beginning to discuss a theoretical solution.

At the beginning, of course, the federal co-operators and the champions of production by the workers not only were all in one camp, but they were unsuspicious of differences. The C.W.S. took up shares in almost every productive society that came along, and acted as agent for its goods. The general attitude of the federation leaders was always apologetic whenever the interests of such a society seemed likely to suffer. Co-operation for the workers was an axiom, leaving no room for thinking of the consumer as a separate economic being, with a value of his own. Over and above the individual minds of the C.W.S. men, however, was the Society to which they belonged, the big organic relation of consumers and employees, of nation-wide obligations and world-wide interests. They had to face this daily reality. The devoted attention of private merchants was sufficient to teach them the value of their organised market. Obviously, since it arose from the organisation, and not from the labour that came and went, the value belonged to their constituents, the "distributive" societies, and they could not fulfil their trust by giving it away. Moreover, what in that event would have happened was plain to see. There came a time when the C.W.S. men were called "materialists," and accused of

Workers' Control or Public Control.

preferring "the main chance" to the ideal. But, as Mitchell told the Dewsbury Congress, on one occasion "the Wholesale bought £1,000 worth of goods from a productive society, kept them in stock for a time, and the productive society used the money to make other goods, and sell them, at five or six per cent less, directly to the customers of the Wholesale." Such details enabled the federal school to realise that, whatever the grossness of its mind, it had no monopoly of the commercial spirit. Had the C.W.S. trustfully resigned its market to the productive societies one of two things would have happened. Either independent groups of workers and small capitalists would have sprung up endlessly to compete in the manufacture for co-operators of every profit-bearing domestic article, or existing groups, refusing in Congress to permit overlapping, would have claimed the co-operative preference as their exclusive possession. And the great instrument of the co-operative public would have been left to undertake the least fruitful industries, just as in the capitalistic state it used to be an absolute rule that all profit-bearing undertakings belonged naturally and rightfully to private owners, and that it is the duty of the public to carry on the rest at the public expense.

However, the Wholesale Society was resolute for the co-operative action of consumers going beyond the store. The supporters of independent production therefore took a second line of attack—or, as it seemed to them, of defence. They sought to lodge their principle within the Wholesale system. Ultimately, it was meant to transform that system. The *Co-operative News* of 1887 (page 550) printed a manifesto by Judge Hughes which closely defined his ideal. The individual workers were to become at least joint-owners of each factory by means of contributions to its capital; they would participate in profits and losses, and themselves elect their manager. The election of managers was practically a new point, very dubiously supported by the instance of Mr. Joseph Greenwood at Hebden Bridge; otherwise Hughes's scheme was in line with that dealt with in Chapter X. . . . But, as in 1874, the test demand was for "profit-sharing," which again became reduced to the rather sterile idea of "bonus." Here, with less sincerity in the leaders, it would have been easy apparently to fall into line by conceding the payment of a certain part of wages in this form, for as yet the C.W.S. Committee hardly had developed a theoretical objection to profit-sharing. The General Committee of the C.W.S. had given it up in 1875 simply on practical grounds, and in 1883 the Drapery Committee

The Story of the C.W.S.

re-introduced it into their departments in the same spirit. The precise particulars of their scheme, as revised in 1886, will be found printed as an appendix to this history; and it is sufficient to say here that it took the form of a small percentage upon increases of sales, with a larger payment upon decreased expenses, all after providing for a minimum profit. The greatest payment under this head was £909 for the year 1885, the total wages then paid in the departments concerned being £6,346, compared with a total of £9,038 in 1887 for the same departments after the abolition of bonus. In 1886 the question arose of whether this system should be extended to other departments. The London meeting of February 27th voted for this by 68 to five; Newcastle opposed the idea by 105 to 12, and Manchester adjourned its decision, but at the June meeting finally rejected bonus altogether without discussion.

Appeal was made to Congress. At Carlisle in 1887 Judge Hughes came out of retirement to battle for the lost cause. He never fought better than now for the principles that, through Ludlow and Maurice, he had derived from the French Socialists of 1848. He declared "the great strike at Leicester" (of 1886) at a works "nominally co-operative" the saddest of many sad things in the past year to him as an old co-operator of forty years' standing. Holyoake said it was "a misfortune to co-operation that the Wholesale ever went to Leicester." The resolution carried at Carlisle caused the subject to come up again at Dewsbury. This, indeed, was the battle of the campaign. Four prize-papers covered the general question of the Wholesale Society, its productive departments, and the productive societies, and two sets of resolutions followed the papers. The first set was from the North. It supported production through the C.W.S., and affirmed profit-sharing only "whenever the profits . . . can be divided with equity." Five ex-presidents of Congress, Messrs. Holyoake, Hughes, Neale, the Marquis of Ripon, and Professor Sedley Taylor, were responsible for the second set, which embodied the principles of independent federated workshops returning to their workers (in transferable shares) "not less than half the net profits." The half-profits was a diplomatic concession, for no consumer's right was admitted when, in the heat of this conflict, Holyoake went "the whole hog." Using figures highly unofficial, he said:—

In 1886 the workers in the Wholesale Shoe Works at Leicester numbered 990. The profits made were £9,500. That would have given an addition of £9. 10s. to each worker's wages. Now, who came and carried away that profit

The Proof of the Pudding.

which the workers had earned ? Nine hundred and seventy stores took it. What did they do with it ? They gave it to 650,000 members of co-operative societies. How much did each member get ? You heard Mr. Copeland say yesterday that it amounted to one farthing and a half each. . . . They had heard of Judas Iscariot, whose name for eighteen hundred years had been infamous in the world ; he sold Christ to crucifixion ; but he had the self-respect to contract for thirty pieces of silver ; while co-operators sell the workman to the life-long crucifixion of unrequited labour for three-eighths of a penny.

The ultimate issue of the long and lively debate lay between a simplification of the ex-presidential resolutions designed to bring the C.W.S. into line (Hughes maintaining that Congress had such authority), and an amendment simply recommending "an alliance" "on equitable conditions" for the sharing of profits between worker, capitalist, and consumer in all workshops, and inviting the C.W.S. and all concerned to adopt the principle. By 213 votes to 160 the amendment was carried. By this time, however, the federation was committed to flour milling at Dunston, and the difficulty of "equitably" sharing profits in this industry already has been suggested.¹ Actually, and through no fault of its workers, the Dunston Mill, as we shall see, had to face deficits reaching in one year to nearly £18,000. If the Wholesale Society for that year had tendered to each of the one hundred and fifty millers its little bill of £120 (or even £60) it would have been something like robbery. Such losses were not foreseen in 1888, but the possibility indicated by the existing mills of each man's share in half-profits (only) reaching up to £2 per week was anticipated. And "the absurdity of it," said the *Co-operative News*, "has been realised by Mr. Holyoake, Mr. Hughes, Mr. Neale, and Lord Ripon, but to Professor Sedley Taylor it is the most natural, most inevitable, thing in the world."²

Nevertheless, the Ipswich Congress of 1889, after the case against workshops "governed from a central institution" had been put at its best and strongest by Messrs. Neale and Greening, took the action from which it had shrunk at Dewsbury, and instructed negotiations with the Wholesale Society. And in the same year the same protagonists, as a minority of the special committee for the revision of the C.W.S. rules then at work, put forward a copartnership scheme

¹It must not be overlooked that in this connection "profit-sharing" is a question-begging term. C.W.S. flour mill profits are, of course, "shared," the C.W.S. "dividend" not being a payment to capital (as the word suggests), but, of course, a giving back of "profit" to all who buy.

²Mr. Taylor proposed to obviate the difficulty by reducing prices, i.e., returning the surplus to the consumer direct, and incidentally cutting prices on a precarious margin.

The Story of the C.W.S.

very much like that of 1874. This report was entertained to the extent of the C.W.S. promising an inquiry. It took the form of a circular to co-operative societies in 1890, asking particulars of payments as "bonus on wages." Only 282 replies resulted from 881 requests, and only ninety-four of these societies paid bonus. Amidst such indifference the minority proposals died a natural death. Yet the issue was not finally settled. In 1891 the Norwich Society joined battle by moving a resolution at the C.W.S. Quarterly Meetings requesting the C.W.S. Committee to prepare a plan of profit-sharing in all departments of the C.W.S. in accordance with the resolutions passed at the Dewsbury and Ipswich Congresses; and at Manchester this resolution secured a powerful seconding from Bolton. Moreover, at Newcastle (on June 13th) the Norwich motion was carried by 86 to 71, at London by 52 to 49, and at Nottingham by 35 to 31; it lost at Bristol with seven for it and 15 against. Manchester remained, and Manchester proved, overwhelmingly hostile. The delegates' meeting at headquarters rejected the proposal (on June 20th) by 406 to 43. The national figures thus were 223 for profit-sharing and 572 against.

A week later the *Spectator* lamented what it supposed to be the fall of the mighty. Co-operators had become "simply capitalists writ large." The Wholesale had a right to trade "like any other joint-stock company," for profit-sharing was "a counsel of perfection;" but the vote had "deprived it of all claim to call itself co-operative." And the *Spectator* prophesied that in consequence of the vote "other joint-stock companies" would arise, "calling themselves co-operative," and with these "rival agencies . . . all the hopes originally built upon the substitution of co-operation for competition will be destroyed." Thus, with a really sincere grief, this great English journal mourned the defeat—like a man wretched over the burning of some great city when he has seen only a glare of red sunshine upon all its windows! For the C.W.S. of 1891 was precisely the Wholesale Society of 1869 over which the *Spectator* had exulted, and the "purely selfish policy," the "good thing," and the "no intention of sharing it with anybody else" meant nothing more nor less than the "benefit . . . to everyone who deals with them," eulogised by the *Spectator* correspondent in the sixties! In 1869 the C.W.S. shared not one penny of its profits with its employees as employees; in 1891 it did the same. In 1869 the federation divided all its surpluses among the unrestricted body of co-operators as savings to themselves;

Ideals for Consumers.

in 1891 it had become convinced of the justice of its method, and that is all.

One cannot help feeling it to be a pity that the real nature of this conflict between the "republic of consumers" and the supporters of independent workshops was not seen. Certainly the result of supposing a quarrel simply between principle and practice was to range the noblest minds in the co-operative movement against common sense, to bewilder and silence thought, and, finally, to bring idealism into contempt. Yet the actual problem was one capable of winning respect from both sides. With all its appeal of unity to the idealist, and of economy to the man of business, the collective method has its dangers. Institutions too confidently founded upon it may end in neglecting individuality and fostering bureaucracy, the stream of their vital force running dry in deserts of officialism and enslavement to routine. Hence the not unreasonable criticism which collectivism meets in our own day from individualists at one extreme to syndicalists at the other. And so much the better it would have been, therefore, if the leaders of co-operative idealism generously had forced their spirit into the great federation; for already it had become the largest and most substantial embodiment of a co-operation wide enough to include the most disinterested efforts. They need not have feared a stifling by commercialism. To increase the spending power of the hungry millions, to inform and inspire its possessors, to strengthen in its workshops the idea which the federal system embodies of direct service for the common benefit of a fraternal, democratic, ever-expanding community, to enrich that system with every right and liberty not inconsistent with its own unity—all this scope and more (without trenching upon the ground of trade unionism) is offered by "the co-operation of consumers." Again, one feels it a pity that so many leaders did not work within rather than against the developments of the eighties, for we are the poorer by the loss of the high tradition they would have bequeathed.

CHAPTER XIX.

LAST YEARS OF MITCHELL'S CHAIRMANSHIP.

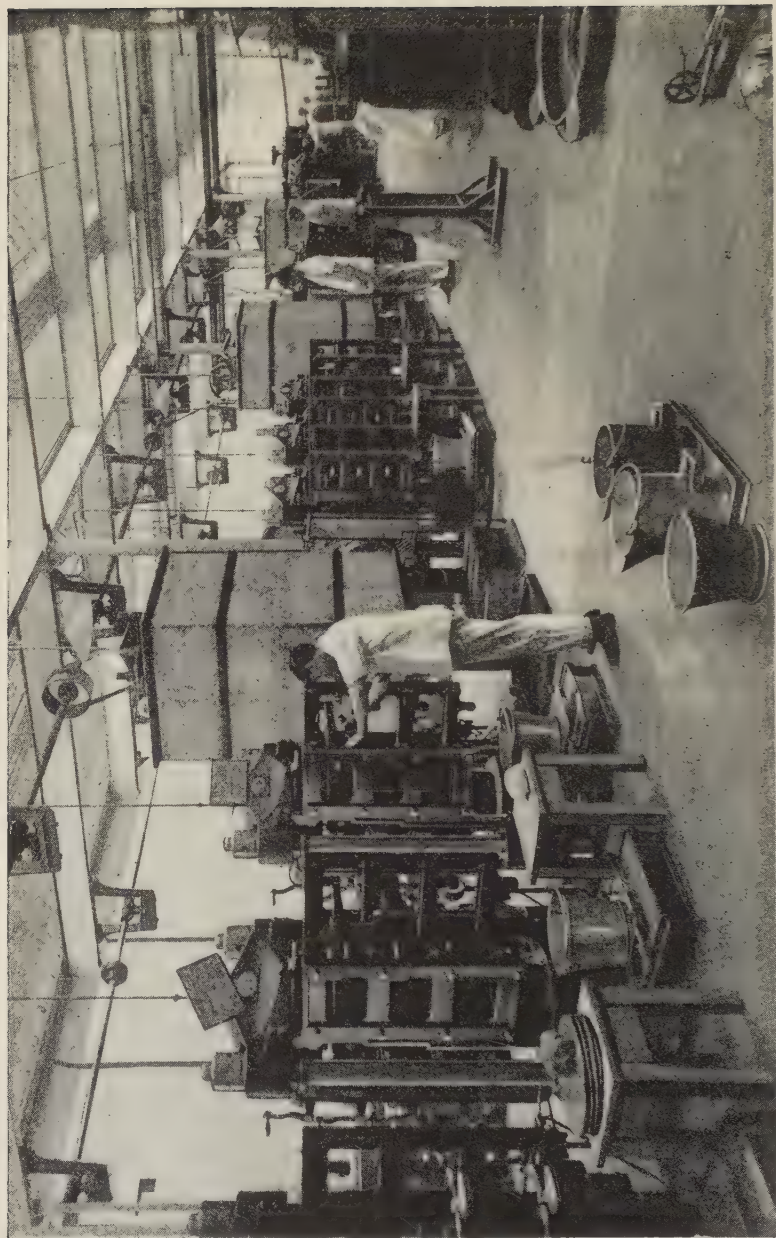
Wages and Prices—A Battle over Printing—Longsight Works—Danish Butter—American Produce—The Newcastle-on-Tyne and London Branches Come "of Age"—The People's Co-operative Society—The Insurance Fund in Danger—A Small Dividend—Employees' Purchases again—Farewells to Neale and Mitchell—Years 1890-95, and to 1912.

THE last decade of the nineteenth century brings us to a period comfortably within the memories of nearly all men and women. While it is distant enough for those beyond thirty-five to foretaste the privilege of age in recalling their part in its events, it is still as yesterday in the minds that are full of years. If its younger statesmen are now the elders, many of the names of that day abide, and some of its political problems also. The labour politics which now surround us were then foreshadowed by propagandists whose names remain familiar to the readers of the latest newspaper. The co-operative movement was passing out of the hands of the generation which had seen its rise, into the charge of men who had grown up since the Education Act of 1870, and who are in many instances still alive. The notable publication in 1892 of Miss Beatrice Potter's (Mrs. Sidney Webb's) *The Co-operative Movement in Great Britain*, with its lucid review of the Wholesale Society as a mature institution, and its essentially modern outlook, marked a state of attainment.

Yet for the C.W.S. the nineties was a period of rapid growth. The total sales, five times multiplied during the seventies, and nearly thrice in the eighties, naturally could not increase in the same ratio; nevertheless the sum was doubled. As in 1878-9 and in 1884-5, however, the increase was broken in 1893-4 by a short and slight retrogression reflecting only too faithfully a period of trade depression with working-class unemployment and decreased spending power. To this passing cloud the great lockout of miners that followed a refusal to accept a heavy reduction of wages in 1893 directly contributed. But, like the previous hard times, these of the nineties were mitigated by a decreasing cost of living. In the year 1896 the average of wholesale prices touched its lowest point. Since 1896 the average has risen, with only partial breaks in an



DELEGATES AT THE OPENING OF THE E. AND S. C.W.S. LUTON COCOA WORKS, SEPTEMBER 8TH, 1902



THE E. AND S. C.W.S. LUTON COCOA WORKS: HYDRAULIC PRESSES USED IN THE MANUFACTURE OF COCOA.

A Battle over Printing.

ascending line; but swift as was this reaction after 1896, the increase of money wages up to 1900 more than counterbalanced it, so that the year 1900 saw the high-water mark of real wages, and has remained the standard year for comparison. The average money wage for that year, as calculated by Mr. G. H. Wood, F.S.S., was 28s. 6d., which, upon a comparative price basis over the hundred years, meant 22s. 2d. in real wages, as compared with 17s. 1d. at the time of the C.W.S. being registered, and 12s. 6d. in the year of the Rochdale Pioneers. Hence, while it would be true to say that at no time, either in this century or the last, were economic conditions so favourable to the wage-earners and their wives as during the years 1896-1900, it would not be a matter for boasting.

Besides being engaged in production, as described in the last chapter, the C.W.S. had commenced flour milling at Dunston, was committed to cabinet making at Broughton, and was in search of a site for a separate jam factory when, early in 1892, the Gateshead Society came forward with a resolution instructing the C.W.S. Committee to commence a printing and stationery business. After an adjournment this was practically adopted by the executive in a recommendation that the Society enter into and carry on the trade of printers and stationers. Now between typewriting and operating a monotype machine there is no vast difference; and Mr. Shillito explained to the delegates that one convenience desired was a private printing of documents for the use of the Committee and officials, instead of a tedious copying. But the space between copying and printing had not then become so narrowed, and, much more important, there existed the Co-operative Printing Society. From one-third to one-fourth of the business of the latter came from the C.W.S., and fears existed not only for the loss of this support, but lest the C.W.S. as printers should go to a logical extreme. A Norwich delegate gloomily supposed that "the outcome of the policy would be the establishment of a newspaper in the interest of the Wholesale and the interest of the consumer;" and a Bolton delegate described the recommendation as being not for co-operation but for competition. On the other hand, it was seen that the step was "bound to come." Already the Scottish Wholesale Society had commenced its own printing office, and the Co-operative Newspaper Society had taken over the printing of the *Co-operative News*. As Mr. Slatter, the first president of the Printing Society, said, the *News* had been resigned in a friendly spirit, and the C.W.S. business could be given up to the Wholesale Society equally amicably.

The Story of the C.W.S.

At the branch and divisional meetings of June, 1892, the voting was 396 in favour of the Committee's recommendation, and only 35 against. But the Manchester district in this instance failed to lend the Committee its usual support. It secured a further adjournment to September, and again to December. The Oldham Industrial Society tabled an amendment that the Wholesale Society "be permitted to commence the printing and stationery business on their own account only." "Oldham," said Mitchell, "is in favour of the Wholesale doing its own printing for the establishment. I cannot understand the difference. How can we distinguish between the Wholesale and its proprietors? I cannot see any difference between the two. If you separate the proprietors from the Wholesale what is there left?" Since a minority of the proprietors, however, as members of the Printing Society, were receiving assured profits arising from work common to a majority outside that society, and since private shareholders in the latter were interested with them, the issue resolved itself into a trial of strength between these two forces. The branch and divisional meetings, which had been so solid for the Committee in June, were barely in favour in September, with 198 votes to 193. The Midlands and Cumberland, which previously had been unanimous, almost entirely went over to the other side. Although the Newcastle and London meetings gave good majorities, only the West and South Wales really stood firm. At Manchester, where the case for the C.W.S. had been powerfully stated by Messrs. Shillito and Hibbert, the vote actually was adverse—301 against 265. The Oldham motion, however, was carried by 270 to 220. But Lancashire and Yorkshire, that so often had overborne the remoter provinces of the federation, now had to yield to the country, which as a whole was for the Committee by 511 to 434.

While intending to commence with printing of a minor kind, the C.W.S. Committee made no secret of looking toward an ultimate expansion. This came after three and a half years' occupation of premises which have since made way for headquarters extensions. Land at Longsight had come into C.W.S. possession through the failure of the Union Land and Building Company, and here a works was built upon a scale which at the time seemed absurdly large. Indeed, the land left over and to spare was confidently sold—too confidently, it since has proved. Lithography was added to letterpress printing and the manufacture of stationery; and a boxmaking department (which has since become equal in size to many an independent

The Three Printing Works.

factory) also grew up. As a result of careful inquiries, particularly in Germany, electricity was introduced for driving as well as for lighting purposes, the C.W.S. works being one of the first in England to choose this power; and it has had the pleasure of seeing its example followed as a result of observations made by visitors to Longsight. The printer's lot is not always a happy one. Rarely he can "make for stock;" the calendar is perpetually at his elbow; and while the calendar displays its dates but says nothing, the speaking parts are more than filled by customers who nowadays may use the telephone, the telegraph, and a post office delivering letters several times a day. In short, he is the servant of many masters. But, apart from the minor excitements and adventures arising from such circumstances, the printing works (under the continuous management of Mr. George Brearley from its first starting near Balloon Street with 12 workers in January, 1895, to the present day at Longsight with 1,100 employees) has been happy in printing many histories, but having none of a disturbing kind itself. Extensions have been the chief events. The first was made about three and a half years after the commencement of work at Longsight in July, 1898; the second after a similar interval. These two bites have eaten up all the space readily available for use, and the pressure of ever-increasing work has since been met by new machinery, re-arrangements, and a policy of devolution. The C.W.S. Pelaw factories, opened in 1902, included a printing works; while the Cranbourne Street factory in Leicester, vacated by the hosiers as described in a later chapter, has been used for printing and box making. Both these works have been employed in relief of Longsight, as well as in their local trade. At Leicester the extensions which were progressing in 1913 will double the capacity of the factory. All three works since 1909 have been under the same general management, and all are working on a 48-hour week. Since the works has only once been upon short time, and that during the coal strike of 1912, and since printers cannot escape overtime, the shorter week virtually has meant an increase upon the trade union rate of wages. A few other printers—practically all of them co-operative societies—have also adopted the 48 hours, but the general trade union week is of 51.

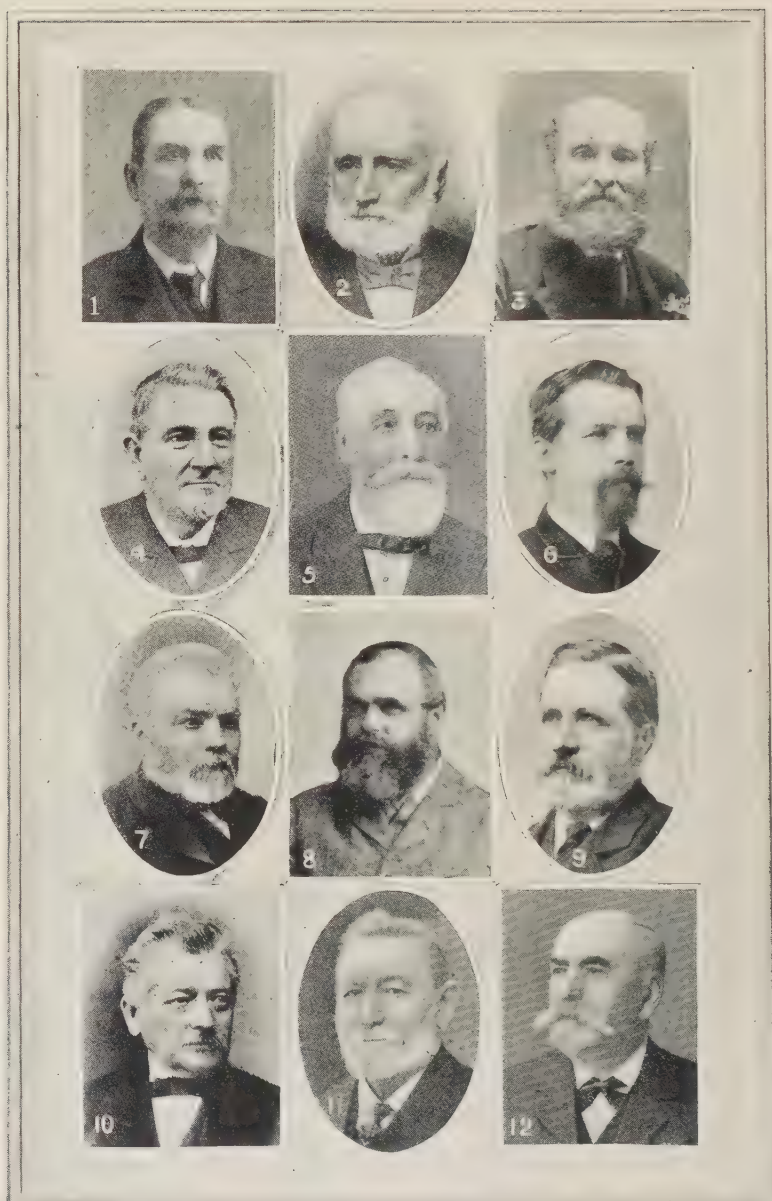
While the C.W.S. at home was sinking shafts toward the sources of supply, it was also extending its communications over the surface of the world. The Society's direct purchases from Denmark during the

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first quarter of 1891 reached £219,000. This formed its largest trade with any one foreign country, Germany coming next with £135,000, and then America with £101,000. Yet the Danish purchases were confined to butter, eggs, and bacon. Although in many instances it was bought direct from the dairies, all the butter then came *via* Copenhagen. The economy of this method was keenly discussed at a meeting of C.W.S. Manchester and Newcastle Committee-men and buyers in 1891, and it was resolved both to increase the supplies and to obtain a more direct shipment. The Committee therefore sought permission from the delegates to send a deputation to Jutland, with a view to stationing a C.W.S. butter buyer in Northern Denmark. The deputation recommended Aarhus, although it was impressed by Esbjerg, "evidently a place steadily growing in importance, and more like a new and rising American town." The same deputation in its seventeen days' journey made inquiries concerning Swedish and Finnish butters. In due course, on November 4th, 1891, a C.W.S. purchasing depôt was opened in Aarhus, the small and peaceful country town which serves as Denmark's second largest city. It was expected that the co-operative dairies would be very conservative and prejudiced against new comers, but notwithstanding the frantic and flattering general demand for their produce, the C.W.S. buyer was able to report an increasing business year by year. In 1895 a similar depôt commenced business at Gothenburg, in Sweden; and a depôt at Odense, begun in 1898 as subordinate to Copenhagen, was raised to an equal dignity with the other Danish centres in 1900. Esbjerg, "the Danish Chicago," improved its reputation during the hard winters of the nineties by remaining an ice-free port; and being also the nearest on the Danish coast to England, its position as an exporting (rather than a buying) centre could not long be neglected. In 1905 the C.W.S. in latter days established another depôt, with warehouse, cellars, and offices, in a building upon freehold land. Between the Odense and Esbjerg openings a bacon factory at Herning was bought and reconstructed. This was in 1899-1900; the step being taken as a countermove to the formation of a bacon ring in London. Thus, since the first beginning at Copenhagen in 1881, almost a network of purchasing and forwarding agencies has been spread over that land of Denmark—that country where co-operation is "the co-operation of educated units." Besides supplying butter, these centres also received and disposed of quantities of bran from the Dunston Flour Mill, the bran serving as food for the farmers'



J. T. W. MITCHELL,
Chairman of the C.W.S. from 1874 to 1895.



LATER MEMBERS OF THE C.W.S. COMMITTEE.

- | | | |
|-----------------|--|--------------------|
| 1. Wm. Bates. | 2. Thos. Bland (Vice-Chairman, 1895-1906). | 3. S. Lever. |
| 4. J. Lownds. | 5. T. Swann. | 6. A. North. |
| 7. Jas. Hilton. | 8. E. Hibbert. | 9. J. Lord. |
| 10. A. Scotton. | 11. T. Hind. | 12. J. Fairclough. |

Newcastle's Twenty-first.

pigs. Butter casks, joinery, and other local products also were sent out from the exporting centres.

Soon after the deputation to Jutland more direct relations were established with the producers of Western America and British Columbia. Canned fruits and canned fish formed the material basis. "We have, so far, been entirely in the hands of agents when making the purchases of these goods," reported the Committee in 1892. Hence two C.W.S. representatives spent from two to three months upon a comprehensive tour, incidentally being presented to President Harrison at the White House. The travels of this deputation marked the then furthest from home; but, as we have seen, it was not by any means the first visit to America, while it was followed by other deputations to the Eastern States on account of new boot machinery and purchases of leather. In June, 1894, a permanent *depôt* for purchasing was established at Montreal, under the charge of Mr. J. M. Percival, who had resigned from the C.W.S. Committee in 1882 to become assistant to Mr. Gledhill at New York. At this period butter, cheese, and other American products were shipped from New York and Montreal; and the Sydney *depôt* in Australia, begun in 1897, consigned an equally varied number of colonial products.

These foreign enterprises were significant of a general mercantile progress to which attention was drawn on two great occasions. The first was provided by the "coming of age" of the Newcastle Branch. This event was celebrated on December 17th and 21st, 1892, in the congenial social atmosphere of an approaching Christmas-time. St. George's Hall, Northumberland Road, Newcastle, was decorated for a dinner to nearly a thousand guests on the earlier of these days, with Mr. T. Tweddell in the chair, and Messrs. Mitchell, W. Maxwell, T. Burt, M.P., and Dr. Spence Watson as the after-dinner speakers. Dr. Watson, "as one of a nation of shopkeepers," and not ashamed of it, refused to decry any trade movement; and this "was a trade movement with a great ideal—the ideal of purifying trade." Mr. Tweddell made a notable speech. Briefly but effectively he reviewed the past and the present of the branch, mourning for the colleagues who had vanished with the years, rejoicing over the prosperity attained, and acknowledging the efforts of the co-operative employees, whether attached to the branch or engaged in the retail stores. One factor in the success he selected for emphasis, "that principle of interdependence, that mutuality of interest, that oneness of purpose and aim which exists between the Wholesale Society and the retail

The Story of the C.W.S.

stores." Reminding his hearers of their "task of removing every intermediary . . . that interposes himself between the producer at one end and the consumer at the other end of our commercial system," he spoke of commencing with the retail agent first, "not because he is the only agent that we have to deal with, but because he is the collector of charges for all the rest":—

The retailer is the great social tax-gatherer to-day, and we have found it comparatively easy to deal with him, because he looms large in the imagination of the consumer. But as our movement progresses and co-operators win, one after another, the strongholds of exclusive interest, we shall come into contact with antagonists more subtle and powerful than the retailer has been, and then you will find out the value of a great organisation such as we commemorate here to-day.

The celebration on December 21st practically repeated the earlier one. Mr. Mitchell was in the chair, supported by Messrs. C. Fenwick, M.P., W. Crooks, Wallace, G. Hawkins, J. C. Gray, and others. Touching upon the then newly launched "Darkest England" scheme of General Booth, Mitchell declared at this meeting that "the best way of helping the poor, in his opinion, was to cause the profits of the business of the nation to flow into the pockets of the people instead of to a section of the people." . . . On December 26th a third gathering took place, exclusively of employees, their wives and sweethearts. A tea and conversazione was held in the same hall with Mr. H. R. Bailey in the chair, and Mr. George Scott, Mr. Binney, Mr. W. J. Howat, and others present.

The second and similar occasion was the twenty-first anniversary of the London Branch, in the first half of 1895. By this time the big Leman Street warehouse, with its proud clock tower, had been overtaken by the trade of the branch and become congested. The tea department was a twin brother, on the best of terms with the branch; nevertheless, its room was wanted rather than its company, and the teamen were on the eve of departure to a new home on the other side of the street. Bacon stoves had gone up, with satisfactory results, and production on a small scale, by the manufacture of brushes and bedding, had quietly been entered upon by the furnishing department. A corn mill and a jam works in the London area were asked for more and more. In the twenty-one years the employees of the branch, exclusive of the tea department, had increased from the original half-dozen to over 370, and the trade from some £100,000 to nearly one and a half millions sterling—reckoned on the basis of the century's lowest prices. Where the London district had accounted for one-twentieth of the C.W.S. trade in 1875, its proportion

Achievements and Hopes in London.

for 1895 was one-seventh. This meant a progress which the branch felt justified in celebrating under holiday conditions, an environment more easy to obtain in the metropolis than in Manchester. "The Orient" was showing at Olympia, and upon its scenes of Eastern splendour was obtruded the æsthetically sombre but enthusiastic gathering of co-operators, met to celebrate an achievement of freedom and the West. Mr. Hawkins presided (on April 24th, 1895) over a meeting and luncheon at which, in these early days of the Women's Guild, few ladies were present, but that otherwise was hugely attended by co-operative delegates; while, on the Saturday following, the employees of the London Branch and of Southern co-operative societies were entertained by the C.W.S., an employee, in the person of Mr. Ben Jones, being in the chair.

Solid, however, as the success of the branch had been, the Committee could not shut their eyes to the weakness of the movement under its very walls and throughout the vast shopping area of greater London. Hence, in June, 1893, they came forward with a proposal to set aside £3,000 in furtherance of metropolitan co-operation. The money was not to be granted away but invested in a movement to consolidate certain weak and struggling associations into one powerful metropolitan society. Lancashire and Yorkshire delegates, however, were hard to convince, and it was not until March, 1894, that they could be induced to agree with the rest of the country. The Co-operative Union were to share with the Wholesale Society in the new effort; and, the money being voted, in due course the People's Co-operative Society arose. It was worked from Leman Street as a centre, with a committee drawn from the Co-operative Union and the C.W.S. A London Co-operative Baking Society also was taken over (March, 1895), and worked in conjunction with the grocery departments at Leman Street, for the supply of bread to all those societies in the metropolitan area which had no bakery of their own. Mr. George Hawkins, the then chairman of the London Branch, was keenly interested in the new attempt to irrigate "the co-operative desert," and certainly the effort did not lack official backing. And gradually the People's Co-operative Society established branches over both sides of the Thames until at its ninth quarterly meeting, in August, 1897, it was able to announce a membership of 3,387 persons. But the dividend had already declined from 1s. in the £ to 9d., and the next year, with sales amounting to no more than £5,355, the dividend fell to 6d. In August, 1899, the society went into voluntary liquidation, in order,

The Story of the C.W.S.

it was said, that the branches might become independent societies. The People's Co-operative Society thus proved to have no real unity, no core of its own. Co-operation in London did not fail with it, but it has grown since upon a precisely opposite plan. Separate societies have taken root vigorously in fairly compact suburbs and outer districts, and thence have spread toward the yet unconquered central area.

The developments that had trebled and quadrupled the Wholesale Society since the critical seventies had very much more largely added to its financial reserves. Thus, from less than £20,000 in 1879, the Insurance Fund had grown in 1892 to £218,534. Not even compound interest had accounted for this accumulation; it had been swelled to the extent of nearly £100,000 by additions from trading profits. This fund and the policy which had built it up were now challenged. Heckmondwike was a quarter from which financial criticism had come to be respectfully received, and the Heckmondwike Society was foremost. It did not propose to check or limit the growth of the fund, but out of its "vast amount" immediately to allocate £170,000 to the separate federated societies. Each was to possess shares in the fund in proportion to its purchases, and each was to be credited with interest, and was to enjoy the right of drawing upon the credit by transferring the shares in case of need. Further allotments were to be made every five years. Other societies followed with other resolutions. These critics did not wish to individualise a common capital that Robert Owen would have rejoiced to see, but they desired to prevent an indefinite increase of the fund from trading profits. The C.W.S. Committee also brought forward a counter proposal. This was to allow a more liberal maximum (£350,000) before denying to the fund any benefit from large profits, but after that point to credit it with premiums and interest only.

Each party issued statements in support of their resolutions, and all the latter ultimately came before a special meeting held on April 9th, 1892. Mr. Barnett, of Macclesfield, argued that a fund of £200,000 was ample for all risks; and Mr. Redfearn, of Heckmondwike, urged that the Wholesale Society was creating a capital "that would make it independent eventually of the retail societies." But the Committee, having gone already further to meet the agitation than Mitchell approved, was resolute for a policy which, in Mr. Tweddell's words, would put the Wholesale "in a position to do its own insurance, without the assistance or intervention of

Victories for Unity.

outside capitalists." Mitchell, Swann, and Hibbert joined with Messrs. Shillito, Tweddell, and Moorhouse in a powerful defence of a strong and undivided fund, and such was the effect of this united stand that over the whole of the meetings the recommendation of the Committee was carried by 707 votes to 175, while the Heckmondwike resolution secured only 145 votes against 825. . . . This latter result owed something to a practical consideration. A pertinent question put at one of the meetings was that if the bulk of the Insurance Fund was allotted, would the risks, when they outgrew the balance, be allotted also? Yet, on the whole, the victory of the Committee was a triumph for the communal principle. Remembering the able advocacy and full consideration of the proposal for division, and its obvious temptations to societies, one may record its heavy defeat as the best evidence that had yet appeared of the strength and unity of the federation.

At the end of 1893 a similar action was taken in order to reduce the amounts set aside for depreciation. The Newcastle Society took the lead in moving that depreciation should be upon present rather than original values. The question was adjourned for the Committee to prepare a statement, which finally came before the meetings of December, 1894. It was accompanied by a number of resolutions from societies, but no special meeting was needed to dispose of them. The only one which secured fair support was from Macclesfield, and this at Manchester alone. It sought to prevent depreciation applying mechanically to buildings "already wiped off." The Committee's view was that there had been too little rather than too much depreciation, as it then amounted to no more than from 23 to 43 per cent of the various forms of capital expenditure, and this view easily prevailed. . . . The time of these December meetings had already been occupied in defeating a proposal from West Stanley and many other northern societies, for the Manchester, Newcastle, and London district societies to act separately in the election of the C.W.S. Committee. This had been rejected by 633 votes to 374. Meanwhile, a Norwich resolution for a C.W.S. Productive Committee separately elected had been defeated in the previous year without a count.

One may group all these movements and proposals together, because in each of them one can discern a spirit akin to that of the democrats of 1860 in American politics, a spirit of consideration for the parts which ultimately might have meant the disintegration of the whole. Equally it was met and defeated by another policy

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which, as voiced by Mitchell, was for the whole, no less than Lincoln's was for the unity of the vast republic. And considering this period it must be borne in mind also that the C.W.S. dividend in all these years never rose above $3\frac{1}{2}$ d. in the £. Odd as it must seem to those now accustomed to the regular 4d., in the years 1892-3 it stood at no more than $2\frac{1}{2}$ d. in the £ of societies' purchases. Indeed, where the quarterly profits now reach the hundred and fifty and two hundred thousand pounds, for the September quarter of 1893 the entire net profit was represented by £1,467. Trade depression, the lockout of miners then in force, and the otherwise happy factor of falling prices during the early nineties, all contributed to the result. The last-named influence incidentally had created during this quarter a special loss upon dried fruit. Under these circumstances the Ipswich and Colchester Societies boldly proposed to pay no dividend at all, and at the various branch and district meetings they secured 116 votes. The Committee's recommendation was to make up a 2d. dividend from the reserve fund, and this, which received 348 votes elsewhere, was easily carried at Manchester by a show of hands. Up to 1895 the profits afterwards increased greatly; they fell off in 1897, but in the following and successive years rose steadily to the figures of recent returns. The Trade and Bank Reserve Fund also increased with the profits, rendering unnecessary the Dividend Reserve Fund, advocated by Macclesfield, but negatived in March, 1894. In 1895 it was again a question of dealing with the balance in hand, and the investment of half-a-million sterling in approved securities was sanctioned. In 1884 the interest upon loans in the trade department was reduced from 5 to 4 per cent; nevertheless, in 1895, the balances had increased to over half-a-million sterling, and in consequence the interest was again reduced from 4 to 3 per cent.

A logical, if severe, application of the collectivist principle appeared in the action taken in 1894 by the societies chiefly interested to confine the privilege of purchasing from the Wholesale Society to distributive societies only. A Pendleton resolution to this end was avowedly "intended to operate against the Anchor Society (composed of C.W.S. employees in London), the Printing Society, the Newspaper Society, and the Post Office at Manchester." Abuses were urged; the C.W.S. employees as direct purchasers were described as "a privileged aristocracy;" it was the battle of 1874 over again. Action was adjourned until March, 1895, when the Committee issued a statement. From 1874 to 1888 the purchases

Employees' Purchases Again.

had been regulated through a Co-operative Furnishing Society. From 1888 there had been direct purchases at wholesale prices, plus $1\frac{1}{4}$ per cent to cover clerical labour, the dividend being credited to the Reserve Fund. On behalf of the London employees it was claimed at the London meeting that the Anchor Society had been formed with the encouragement of the Committee, who, as we have seen, wished to advance co-operation in the wilderness of London. The C.W.S. chairman, at the last Quarterly Meeting over which he presided, treated the matter jocularly; it was "this very awful state of things," at most a business of £10,000 in £10,000,000. The Committee, as a whole, proposed to discontinue direct purchasing in the grocery department, while continuing the privilege elsewhere. But this course was refused. Two resolutions intended entirely to prohibit this "illegitimate trade" were carried overwhelmingly at all the meetings. Societies not purely distributive, and societies not occupying business premises of their own, were to be refused supplies. This severity, however, was more than the rules allowed. Objection was raised immediately the Committee attempted to enforce the resolution. The opinion of counsel was therefore obtained, when Sir Richard Webster declared the action of the delegates to have been *ultra vires*. In consequence the Committee continued to supply all societies in membership, without question as to their methods and composition. On the basis of this compromise the employees concerned then made their own local arrangements, but not without being affected, however, by further and sometimes subterranean agitations and results.

The hand of death was heavy upon builders of the C.W.S. during the years 1890-5. Of nearly thirty members of the Committee who have died in office, seven names were added to the roll during this short period. James Hilton, of Oldham; Samuel Taylor, of Bolton; J. Atkinson, of Wallsend; William Green, of Durham; James Lownds, of Ashton-under-Lyne; Emanuel Hibbert, of Failsworth; John Thirlaway, of Gateshead; and J. M. Percival, of Montreal, were among the number. Mr. Percival had been secretary and treasurer as far back as 1868, Mr. Thirlaway had held the Newcastle Branch secretaryship, and Mr. Hibbert's thirteen years on the Committee had been full of strenuous action for the federation. Yet these losses were overshadowed by two others, one indirectly affecting the C.W.S., one in direct connection. On September 16th, 1892, twelve months after his retirement from the general secretaryship of the Co-operative Union, Edward Vansittart

The Story of the C.W.S.

Neale died in Bisham Abbey, the pleasant Thames-side home, near Marlow, which he had inherited in 1884. He had set his hand to the plough at the institution of the Central Agency in 1851, and he had kept his hold for forty years. In 1875, at a time when his sacrifices and achievements warranted an honourable retirement, he put aside the pleasant life of a country gentleman to place himself, as general secretary of the Co-operative Union, at the beck and call of a working-class movement. A hundred tributes to his memory appeared in the *Co-operative News* immediately after the intelligence of his death got abroad; but it is preferable to quote from outside the co-operative circles. Rather over twenty years ago, Mr. John Trevor was about to initiate the "Labour Church." He was at that time minister of the Upper Brook Street Free Church in Manchester, and writing of the Labour Church movement not long afterwards in *My Quest for God*, he said:—

One of the principal opponents, as of the kindest, was the warden of the church—perhaps the greatest man I have ever known—Edward Vansittart Neale. In the gentlest, yet warmest, manner the veteran co-operator—so near his end—told me I was wholly wrong. I feel the pathos of it now more than I did then. All of us put together did not seem worth the little finger of that man, who only sought to serve, and whose soul was the soul of a child.

Describing how, ultimately, he came to resign, Mr. Trevor added:

It is only just to the memory of a great man to say that Mr. Neale had no part in this. Indeed, though warden of the church and a regular attendant when in Manchester, which was nearly every Sunday, his home was near London, and he was seldom able to take part in the business affairs of the church. It was his work in the cause of co-operation that led him to spend part of the week in Manchester—in lodgings as humble as those of many a Manchester clerk. Nor must it be supposed that Mr. Neale was a Unitarian. It was the undogmatic and cultured preaching of my predecessor that led him to find a home on Sundays at Upper Brook Street. Mr. Neale was really a Trinitarian and a Tory, but with a Trinitarianism and a Toryism exclusively his own. And I often think of his remaining at the church after my predecessor had left, listening Sunday after Sunday to sermons which must often have made him sad, though he never said a word, as one of the innumerable examples he gave of a simplicity and grace of character quite marvellous in a man whose opinions were so thoroughly thought out and so tenaciously held, and to which he sacrificed all his time and all his wealth. Indeed, I cannot imagine a character in which strength of purpose and childlikeness of heart could be more highly developed and more perfectly combined.

A sheer contrast with Neale in birth and mind, in voice and person, was John Thomas Whitehead Mitchell, and colleagues though they were on the Central Board of the Co-operative Union, and imbued with a deep mutual respect, it was their fate to be opposing

E. V. Neale and J. T. W. Mitchell.

leaders in the one big co-operative controversy of their time. If Neale "grew weary of rolling the stone (of profit-sharing) up the hill," it was because Mitchell was there to turn it down again. Yet they had one religion in common—although even here it took different forms. For whatever was to be said against mammon-worshippers and dividend-hunters fell harmlessly about Mitchell. In absolute integrity, purity of purpose, and unworldliness of personal motive, he was the equal of the noblest among his opponents. While the evil which men do lives after them, no one to-day would say any less of Mitchell than was said by his graveside in 1895. Mr. William Maxwell, the ex-president of the Scottish Wholesale Society, told the story of the life of his brother chairman in the *C.W.S. Annual* for 1896. He described the obscure birth in Rochdale; the fatherless childhood; the profound affection between the boy and the mother to whom he owed so much; the growing up in a humble Rochdale beerhouse and workman's lodging-house; the attraction of the solitary youth to Sunday School attendance and temperance advocacy; the young man's espousal of co-operation and the interest in the educational work of the Pioneers; the path from the Rochdale Society to the Wholesale Society's chairmanship; and the gradual relinquishing of private business prospects in devotion to the C.W.S. Mitchell remained unmarried because of an honourable faithfulness, and the mode of his celibate life was simple to the point of austerity. Mr. Maxwell has said—

A visit to his house showed distinctly that if he provided liberally for his friend he had no thought of himself. His own bedroom was furnished with some of the old furniture his mother had when he was a boy, humble in the extreme. Piles of reports and balance sheets took the place of ordinary literature. The portraits of a few dear friends who had passed away, to be looked at occasionally, also his well-read Bible and hymn book, completed the furnishings of the room in which he lived and died.

With these rigorous habits it might be supposed that the Wholesale Society possessed in its teetotal and non-smoking chairman a man of severe mind. In so far that he would tolerate no laxity high or low (and high especially) this was true. But when no danger existed of geniality being substituted for principle, Mitchell (as all bear witness) was fellowship itself. After listening for three hours to the disposal ("easily and good-humouredly") of a Quarterly Meeting agenda, a correspondent of the *Bradford Observer* wrote in March, 1891:—

I wish I could give a picture of the chairman of the Wholesale, the very genius of despatch and good nature. Mr. Mitchell is a titanic person. His

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build is veritably on the "wholesale" scale. His word is law at the meetings, and there is no possible way of cornering him. Where a chairman on the retail scale would hesitate and be lost, Mr. Mitchell is adamant. He is superintendent of a Sunday School at Rochdale, and one feels that the Saturday's work at Manchester is very congenial to the superintendent. He descends on the gong like a pile-driver when the flock is restless; when nothing else will avail he breaks off an awkward discussion with a witticism, and you find, when the explosion of laughter has died away, that the superintendent is placidly pursuing the next lesson.

His last appearance at a Quarterly Meeting was at Manchester, on Saturday, March 9th, 1895; and Mr. Maxwell tells us that:—

On Sunday, March 10th, he proceeded to London to preside over two important meetings of representatives from the English and Scottish Wholesale Societies; the meetings were to be held on the 11th and 12th. On arrival at his hotel in London it was seen that the long journey had increased his weakness, and his cough became very troublesome. His colleagues did everything possible for their fallen chief. He was prevailed upon to rest on Monday, but he was much disappointed at not being able to attend the meeting. . . . On Tuesday morning the various committees had assembled in Leman Street Hall, and when about to begin business Mr. Mitchell entered the room and tottered to his accustomed place. No amount of persuasion could induce him to remain absent from this meeting. Death was written largely on every line of that genial face. In a feeble and mechanical way he got through his last meeting on earth. Feelings of reverence, love, and pity were recognisable on every one of his devoted comrades. They beheld the rare sight of a man dying at his post. The vote of thanks that day to the chairman was full of pathos and heart-stirring words that cling to many of us yet. His good-bye that day sent a new sensation through us; we felt poorer, we felt a void had been created that could not be filled in our time. His last co-operative meeting was over. Kindly hands bore him back to his beloved Rochdale, where, after lingering only four days, his great loving spirit passed away.

The weather of February, 1895, as it will be remembered, was the most severe in living memory; its rigours seemed to mark the culmination of two or three hard winters experienced previously. Travelling, even first-class travelling, was not then the luxury it is now; and, unspared and unrested, a powerful frame proved unequal to the constant strain. The funeral took place on March 20th. Only to John Bright has Rochdale ever done greater honour. You may still hear it said, "Eh! that *was* a funeral!" The park-like Rochdale burial ground is almost a mile west of the town. Toward the western side of the cemetery there is an undulation commanding from its summit a view wholly characteristic of Lancashire. Northward one looks upon green hills that swell into high moorlands, eastward along the valley of the Roach to Rochdale, its chimneys and its Town Hall; south and west over the open fields and the

By the Graveside.

scattered mills and townships that reach far in the direction of Bury and Manchester. Upon the highest level of this pleasant ground, not far from the grave of William Cooper and beside that of Samuel Bamford, stands a monument of grey granite, erected to its twenty-one years' chairman by the federation he served so well. Together with other inscriptions it bears these words, taken from his Rochdale Congress address of 1892:—

The three great forces for the improvement of mankind are religion, temperance, and co-operation; and as a commercial force, supported and sustained by the other two, co-operation is the grandest, the noblest, and the most likely to be successful in the redemption of the industrial classes.

The small, plain, two-storied house where the chairman of a business of ten millions yearly lived until his death, still stands as number 15, John Street, Rochdale; and the Milton Congregational Church—to and from which trains and cabs would rarely fail to carry the superintendent of its Sunday School, however distant the co-operative meeting that claimed its president—is near at hand. Upon its walls there is no tablet such as elsewhere reminds one of some brilliant artist or thinker, and yet whoever walks past the cottage, being acquainted with the man and his work, must feel a sobering sense of what makes for the strength, if not the glory, of a nation. A little more self-regard, a little less pride in and care for the working classes, and Mitchell probably would have gone to reinforce the middle class; for a natural selection of this kind is always operating, to intensify the poverty of those who remain behind. But he gave himself to his fellows, and died a poor man. His “estate” was sworn at £350; the sole legatee being a neighbour, Mr. Thomas Butterworth, who, with Mrs. Butterworth, had attended to his house and comfort; but it happened that the beneficiary also died within a day or two of Mitchell's loss, and through an agreement with the heirs, Mitchell's books and papers, his silver trowels, keys, and mallets, came back to the institution for which he chiefly worked.

CHAPTER XX.

UNDER A NEW PRESIDENT.

A Mitchell Benevolent Fund and a Widening of the Rules—The New Chairman—Placing a Jam Factory—Middleton Works—New Management at Crumpsall—Back to the Land—Roden Farm and Roden Convalescent Home—Marden Fruit Farm—The Tea Department in a New Home—Pension Tea and Bonus Tea—Estates in Ceylon—Advertising and the *Wheatsheaf*—Shadows of War and Famine—Years 1895–1900, and to 1912.

THERE is a question which is always put by some visitors at Balloon Street, especially Americans. Whose was the master mind? they ask. Who was the great organiser of this business? They will not readily believe that somewhere behind the scenes there has not been all along One Big Brain. Those who have followed this history so far will be less expectant of a superman. Even Mitchell was not among the founders of the Wholesale Society; and during his twenty-one years of chairmanship he was the elected leader, but not the master. The organisation continued to be the work of many men and many minds. In the year after his death, indeed, the growth exceeded that of his lifetime. Productive works multiplied; new ventures were undertaken; meetings increased in size; responsibilities grew; and the trade of the Society trebled. Yet the fruitful tree owes much to its planting, its training, its early protection; and witnessing in 1895 and 1896 the sudden new increase that lifted the C.W.S. well above the point at which it had seemed to halt during the three previous years, the members of the federation were not at all disposed to undervalue the work accomplished under the presidency of J. T. W. Mitchell.

A memorial committee was formed. This committee proposed to create a Mitchell Benevolent Fund, with which to purchase or endow beds in convalescent homes for the benefit of co-operators, and to maintain and educate co-operators' orphan children. The C.W.S. Committee fully endorsed these proposals, and, "in view of the enormous part Mr. Mitchell has played in the remarkable progress and success of the Society," the delegates were asked to sanction a grant of £5,000 as a nucleus for the fund. With large sums being regularly voted as benevolent gifts, no opposition seemed likely to

The Mitchell Memorial Hall.

arise. The Woolwich Society, indeed, secured considerable support for a £10,000 grant; while Mr. Redfearn, of Heckmondwike, thought it would be no more than just if the federation provided the entire fund. But in some quarters enthusiasm quickly cooled. A Lancashire Society discovered that the fit and proper (and, incidentally, cheaper) way of commemorating a great man was to erect a statue. A Midland delegate said that the proposal to give £5,000 "nearly took their breath away." A Northern representative asked if it was the intention to commemorate other committee-men, to which Thomas Bland, the new vice-chairman of the Society, warmly and generously replied that "there had been only one Mitchell amongst them—there was not a Mitchell or even the shadow of a Mitchell amongst them to-day." The Scottish Wholesale Society had proposed to give £1,000 to the fund; but objections had been raised at Glasgow, in consequence of which the chairman of the Northern Society declined to take a vote. Unanimously approved in London, and not greatly opposed at Newcastle, the grant at the ultimate Manchester meeting of the English C.W.S. was only carried by 307 to 302. For the whole country the figures were 780 and 352. But as the Society's rules then stood, under the law, a single sustained objection to such a grant could destroy it; and, following this December meeting, on the second day of 1896, a society which shall be nameless gave notice of being prepared to take legal objection to the vote. Under this threat the money was held back. Simultaneously, and in reply, the Newcastle-on-Tyne Society moved to alter the rule governing the division of profits, so as to leave the power of the representatives' meetings unrestricted. This was quickly done; nevertheless, remembering the previous divided vote, the Memorial Committee decided to abandon their projects, and return to the subscribers the £371 which had been added to the £5,000. The C.W.S. Committee then adopted the suggestion of a "Mitchell Memorial Hall" made at a Quarterly Meeting by Mr. C. Wright, at that time of the Manchester and Salford Society. They recommended that the next building extensions in Manchester should include such a meeting room, possessing "a statue of the late Mr. Mitchell," while busts were to be placed at once within the Newcastle and London premises. The delegates agreeing to this proposal, the fine hall that now covers the top floor of the administration block in Manchester was so named upon its completion in 1907, twelve years later. And, considering how it links and will continue to link the memory of the dead

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president with every great assembly at the Society's headquarters, the Mitchell Memorial Hall seems, after all, the fittest commemoration of a great leader.

Meanwhile the empty chair quietly had been filled by the election of the previous vice-president, Mr. John Shillito, of Halifax. One of his first prominent appearances in the capacity of chairman was at the London Branch majority celebrations of April 24th, 1895. "Much interest," said the descriptive writer for the *Co-operative News*, "was aroused by the presence of Mr. Shillito, who was unknown in person to many of those present, but whose quiet telling style soon found favour with an audience which included many capable and well-known speakers." It was a fortunate year in which to take office. From 1895 to 1900 the returns of total sales climbed to ten, eleven, twelve, fourteen, sixteen millions; nor did they rest for a single quarter at the last-named point. Such growth soon led to a freeing of the Committee from some old restrictions. The resolution causing them to obtain the sanction of the meetings before sending any of their own members upon deputations at a cost exceeding £50 was rescinded in 1896. In the following year (after due adjournment and discussion) a new scale of fees and fares was adopted. Up to this time the highest average payment to each committee-man (president, branch chairmen and secretaries included) had amounted to about £170 a year. The new rate provided 12s. 6d. per meeting, with a maximum of 18s. 9d. per day, and a payment of £2 weekly in case of absence through illness. First-class railway tickets were at last allowed, and a mileage each day of $\frac{1}{2}$ d. per mile. The positions of president, branch chairmen and secretaries were to remain honorary. In 1897 larger powers for dealing with surplus funds were given, and the Committee were authorised to tender for the supplying of Government, municipal, or other public demands. Half-yearly stocktakings and balance sheets, instead of the troublesome quarterly returns, were agreed to for all departments in 1898, as remarked upon in the previous chapter. In 1899 the secretaryship ceased to be filled by a member of the Committee. Upon February 24th of that year the Society's general accountant, Mr. T. Brodrick, was appointed to a position which since then he has uninterruptedly occupied. This change immediately resulted from the death of Mr. Thomas Swann, of Masbro', who had been conspicuous in the office from 1885 until his death, which took place in 1899, only five days after he had attended a meeting of the Committee.

Placing a Jam Factory.

The range of production extended also. Dunston and Irlam were busy; a cabinet factory at Broughton was followed by one for tailoring; creameries were established in Ireland; the Littleboro' Flannel Mill was acquired, corset making entered upon, and the Tobacco Factory begun. Of these works more will be said in other chapters. Permission was given to enter into the paper and the saddlery trades, the resolution becoming effective in regard to saddlery in 1896. Cattle dealing was resolved upon, and the manufacture of coloured cotton goods was considered, although it was found that in this case the step was not warranted by the trade. Amidst these beginnings came a new and separate factory issuing from the original works at Crumpsall. Jam boiling at this centre had become of such importance by 1891 as to need special accommodation. Permission was sought and obtained to buy land adjacent to the works at Crumpsall, but the negotiations fell through. Eventually the Committee fixed upon another site, near to Park Station and the Oldham Road out of Manchester. Here they proposed to lease six acres for 999 years at a yearly chief rent of £302. 10s. Poor people ask nothing about jam except the price; others are open to æsthetic appeals. A jar of preserves from some place with an idyllic name, in a fruit-growing country, might be inferior to jam from Oldham, but it would admit of a more attractive labelling. And although the general body of delegates to C.W.S. meetings are not usually inclined to weigh such considerations, there were a few who objected to Park. As one might suspect, a touch of irony is in the name. One delegate went so far as to say that the surroundings were "the vilest possible," consisting of chemical works, bone factories, Corporation tips, and a cemetery. This stigma indignantly was rejected by the co-operators from the district; and the recommendation of the Committee, having substantial advantages behind it, was carried without a division. But, again, no agreement was reached upon the conditions of the lease, and eventually the site at Park was abandoned. The Committee looked for another, adjacent to railway and canal. Amongst possible purchases they considered one at Romiley, in Cheshire. In 1893, however, they asked power to obtain six acres of freehold land near Middleton Junction, between Manchester and Rochdale, and assent was given immediately. Nine acres eventually were bought for £3,820.

Works on the site were erected ready for business in June, 1896, and some three thousand tons of preserves were made in the first twelve months. The manufacture of pickles and sauces was also

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undertaken; and candied peels came later. When a formal "opening" of the factory took place in June, 1897, the delegates were in a safe position for prophesying about Middleton jam. On the 16th of that month of roses five hundred buyers and committee-men assembled at Balloon Street, and went by special train direct to the railway siding of the works. After the inspection the same train took the company by a devious route to Belle Vue, where the dinner was held, and the opening celebrated under the chairmanship of Mr. Shillito.

At the time of this festivity the floor space of the works was equal to about three acres. The fact that it now extends to eight acres witnesses to the extensions during the seventeen years. During this period the fruit-preserving plant has been largely re-modelled, and labour-saving devices have been introduced, more than one of which has been invented within the works. Jam making and the bottling of fruit have been supplemented by the canning of fresh fruit in enormous quantities; and mincemeat and Christmas puddings increase the present list of manufactures. A mineral water department also has been commenced, while a malt vinegar brewery on a large scale was set down beside the jam and pickle factory in 1909, and is now under the same general management. . . . C.W.S. jams were not accepted unquestioningly by the local societies' buyers. On several occasions they had to face the ordeal of independent analysis, but in the laboratories their good name did not suffer. One form of competition which the Middleton preserves had to meet was that of private jam under co-operative societies' labels. This practice the works has succeeded in reducing to a minimum, if it now exists.

On the financial side the works has been generally successful. No loss appeared in any quarter until 1908, but upon the working during the whole of that year there was a net deficit of £4,210. The works was not then under its present management, and a temporary falling away from the standard of quality had something to do with the result. This, however, was an episode. Over its entire period of working, down to the end of 1912, the works has returned a total of £163,363. Although the vinegar brewery, under the original separate management, started badly, it is now in course of complete recovery. The present general manager of the entire Middleton Works, Mr. W. J. Howard, appointed in 1908, is the third manager which the main factory has had. It may be added that the canal, of which there were hopes at first, gave too slow a service to be of



THE C.W.S. CRUMPSALL WORKS: THE ICING ROOM.



FRUIT PICKING IN THE C.W.S. MIDDLETON PRESERVE WORKS.

Jam Making to Fruit Farming.

use and quickly ceased to count. On the other hand the railway facilities, permitting trucks to be loaded and unloaded under the works' roof, have proved invaluable. During the jam-making season as many as 70 wagons a day will bring perhaps 150 tons of fruit right to the Middleton pans. . . . The further extension of jam boiling by the C.W.S. takes—or will take—us to Reading. There the Society has acquired land, and only the slowness of certain preliminary negotiations has prevented a beginning, ere this, of the erection of the long-desired Southern jam works.

Deprived of this important department the Crumpsall Works nevertheless made equal progress. In 1897 Mr. Hayes retired from office, although he remained in the works; and the present manager, Mr. George Brill, was appointed. Under his energetic rule the entire little group of factories has been extended, rebuilt, re-arranged, and fitted with new machinery, until it has become practically a big new works. Year after year in the present century the profits have run comfortably into five figures. Although this belongs rather to the chapter that will deal with all the C.W.S. workers, a provision for the employees' recreation and social enjoyment has become a prominent feature at Crumpsall. In 1901 a final reduction of the scheduled weekly working hours enabled the factory justly to boast itself the only forty-eight hour biscuit factory in Great Britain.

The commencement of a separate jam factory went with a new and picturesque departure. In June, 1896, the Committee announced an agreement to purchase the Roden Estate of 742 acres of freehold, tithe-free, unencumbered land. This estate included a small residential hall and five farms, with their buildings, cottages, and timber, and the price of the whole was £30,000. Although the back-to-the-land O'Connorites of Jumbo, in the days of their dejection forty years earlier, might have scouted the possibility of it, the purchase was a natural step for a Society which could trace its birthplace as an idea back to their humble farm. "There was almost perfect unanimity at all the meetings respecting the purchase of the Roden Estate," said the *Co-operative News* of the following week. "There is no mistaking the feeling throughout the whole co-operative movement at the present time. 'Get hold of the land' is the general cry." Fruit growing for the Balloon Street market and for the jam works was anticipated, a creamery spoken of, and cattle rearing proposed. Apart from such prospective developments, and purely as an investment, the estate was expected to yield from

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3½ to 4 per cent. By Mr. Redfearn, of Heckmondwike, a warning was raised against reckoning upon such a return with a depreciation fixed at 2½ per cent on land and 5 per cent on buildings, and Mr. Shillito readily admitted the need of lower rates. And in 1897 an alteration of rules was made, by which agricultural land and buildings were excepted from regular depreciation. The greenhouses and fruit farm buildings, however, are now reckoned as for trade and not, in this special sense, "agricultural."

Upon acquiring the land the Wholesale Society lost no time in commencing fruit growing. Fifteen acres of land in the first year, and afterwards up to 60 acres, were directly cultivated—under Mr. Nowell—strawberries, raspberries, currants, and gooseberries naturally being the first produce, with tree-fruits following. Since these early days the farm of the C.W.S. has grown to over 200 acres, although only one-quarter of this ground is under fruit. Other tangible signs of C.W.S. occupation quickly became visible. Immense glasshouses (their collective length is now a mile and a half) were erected, chiefly for tomatoes and cucumbers; nowadays their roofs can be seen either from the crest of the approach from Shrewsbury, or from the bluff of Grinshall far off, gleaming like a lake in the sunshine. A water tower testified to the excellent supply underlying the Bunter sandstones of the Roden plain; electric light cables appeared, slung along this quiet country road four miles from a railway station, and a village institute lifted its red bricks at the farm entrance. Certain half-timbered thatched cottages made way for artistically-less-desirable but much-more-solidly-useful five-room dwellings, possessing apartments on the ground floor measuring 16ft. 4in. by 12ft. 6in., and 12ft. 6in. by 13ft. 6in. With land attached the cottages were let at 2s. 6d. weekly. The Roden Estate lies six miles from Shrewsbury and four from Crudgington Station; and while the picturesque county town became the *dépôt* for passengers to and from Roden, the pretty and secluded wayside halt of Crudgington upon its agricultural branch line found a new interest in life when the fruit season came, and with it the C.W.S. lurry daily. This was a horse wagon at first, but the Manchester and Middleton supplies are now conveyed to the railroad by steam. Changes less immediately obvious comprised an improved sanitation, improved wages for labourers, and the introduction of a regular Saturday half-holiday.

A still greater innovation was the Roden Convalescent Home. The Roden Hall was a small country house dating from about 1860.

From Hall to Home.

When the C.W.S. bought the estate the hall was tenanted, and the occupier enjoyed shooting and some hunting rights over the land. "We had a strong impression then," Mr. Shillito told the delegates, "that the exercise of this sporting privilege was inimical to the development and cultivation of the land for fruit growing, and we are fully convinced now that these pastimes are not congenial to our agricultural and horticultural purposes. We have consequently given the tenant notice to leave." This statement was made in December, 1899, three and a half years after the purchase. The Committee recommended that the hall should be converted into a convalescent home for co-operators. It would provide for perhaps thirty beds, and the convalescents would be admitted at a small charge. In the first quarter of the following year the Committee proposed to set aside £10,000 out of the profits for enlarging, adapting, and furnishing the home. The wave of prosperity in which the nineteenth century closed was at its height. The C.W.S. average dividend had risen from 2½d. in 1897 to 4d. (for the first time) in 1899, and this still had left a £60,000 surplus for the reserve fund. Under these fortunate circumstances the proposal met with a little criticism but no real opposition. The spirit which had defeated the Mitchell Benevolent Fund proposals such a very few years earlier seemed to have died away. Secure of this munificent provision, then, the Committee undertook the enlarging of the hall to accommodate fifty persons. A new dining-room was added, electric light installed, a fireproof staircase placed outside the rear of the building, and the house and grounds in every detail made thoroughly suitable for their purpose. On July 27th, 1901, the home was opened by Mr. Shillito. "They were met," he said, "to perform an unusual ceremony—

It had been said by commercial men that those engaged in trade or commerce could not enter into philanthropy without jeopardising their influence as traders. He ventured to say that what they were inaugurating that day would not in any degree minimise their influence as a large trading body. Co-operators were a great democratic body, and they looked upon kindness and benevolence to their kith and kin as a part of their duty, and it was in the performance of that duty that they were opening out that home.

The present matron, Miss Twigg, was appointed to take charge of what was then the first co-operative convalescent home south of Scotland; for the Scottish co-operators already had established a home on the Firth of Clyde. . . . The distance of Roden from Newcastle had been commented upon in the North, and a movement

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already had taken shape there for a Northern home. This it was first intended to build at Rothbury, toward the Cheviots, but the idea was abandoned later in favour of the purchase of Gilsland Spa, in the Pennines, on the Northumberland and Cumberland border. A building fund was created, when the C.W.S. subscribed (March, 1901) one-half the sum required, the federation's contribution (carrying rights of representation with it) being £5,000. A North-Western movement followed, which resulted in the North-Western Co-operative Convalescent Homes Association, composed of the North-Western societies and the C.W.S. Here, again, the Wholesale Society furnished one-half the necessary initial capital in a sum of £8,000. The association established the present homes at Blackpool and upon the Chevin, over Wharfedale at Otley. In the wide territory of the South and West no home was built. A fund for procuring admissions to existing homes (to which the C.W.S. is an annual subscriber) took the place of a centralised provision.

Hence Roden remains the most southerly co-operative convalescent home. Within an hour's drive of an important railway centre which itself is only seventy miles from Manchester or Liverpool and forty from Birmingham, and yet surrounded by a purely agricultural area not devoid of natural and historical attractions (as the *Roden Guide* issued by the C.W.S. bears witness), the Roden home has admirably served its purpose. On the estate, when it changed hands, there was no church, chapel, school, reading-room, shop, or public-house; but the meeting-room of the institute which the C.W.S. built is now used for religious services on Sundays, while the institute as a whole provides both reading-room and the social attractions of the public-house at its best. The institute was opened by Mr. Lander in 1900, the employees and their wives and sweethearts, well over a hundred persons in all, being entertained to tea by the Society. A branch of the Shrewsbury Co-operative Society has also been opened. Indoors the home has pleasures of its own. . . . In addition to these various benefactions a donation of £3,000 toward the endowment of the Crossley Sanatorium for consumptives at Delamere, Cheshire, was granted by the C.W.S. Committee and approved by the Quarterly Meetings of September, 1902.

Fifty miles south of Roden and Shrewsbury, by Ludlow and Leominster, through rich and beautiful country, one reaches the tiny railway station of Moreton-on-the-Lug. The pretty, twisting river that bears this ugly name runs into the Wye just below



FRUIT GATHERING AT THE C.W.S. RODEN FARM.



WEIGHING FRUIT AT THE C.W.S. MARDEN FARM.



THE C.W.S. RODEN CONVALESCENT HOME: A WHIST DRIVE PROCEEDING.

In the Apple Country.

Hereford, which pleasant cathedral city is some three miles distant. From the station a narrow lane winds and doubles as if to dodge the old apple trees in cottage gardens, but goes generally north and east to the fruit farm of Burmarsh, near the village of Marden. Herefordshire apples have come mainly from the orchards almost everywhere attached to the general farms of the county, and the planting of Burmarsh as a fruit farm in 1887 was a novelty in the district. About 1899 the jam works became an increasingly important customer of this farm, and upon the owner eventually (1904) desiring to sell the entire property the C.W.S. Committee agreed to purchase. The area was a little over 123 acres, freehold except for half an acre, with five cottages, stabling, sheds for the temporary housing of fruit pickers, 22,000 plum trees, 4,500 apple trees, and 125,000 gooseberry bushes; and the agreed price was £17,000. This last figure caused some discussion when the proposal came before the delegates in December, 1903, but no opposition was raised to the recommendation itself. Accordingly the farm was taken over. During the negotiations the work had fallen into arrear, and the first labour was to cleanse the ground of weeds and get the land into a businesslike condition. Afterwards came the tasks of protecting the growing fruit by a systematic spraying of the trees, of waging war against the winter moth, of grafting and planting, of picking, weighing, and despatching fruit, and, in short, of carrying on all the manifold work behind the delightful spring and summer aspect of a great and fruitful orchard. Apart from this diligent farming fewer evidences of the C.W.S. have appeared than at Roden. The space enclosed by glass has been extended and a little cottage building done, while the wages of the regular workers have been lifted a little above their previous level. Two small purchases have also added slightly to the original area of the farm, which is now 127 acres. The Roden land, having absorbed capital from year to year in the process of development, has generally shown an excess of expenditure over income; but at Marden a fair return has been realised.

The history of C.W.S. farming now carries us from West to East. In 1908 the Society opened a purchasing depôt for vegetables, fruit, and cereals at Wisbech, in the fertile fen country. Recently (1912) an opportunity arose of purchasing two fairly large estates in the neighbourhood, and, this being taken, the Society became possessed of the larger part of each. The freehold land acquired amounted to about 820 acres, and the cost, with farmhouses, cottages, and buildings, reached £45,310. Considered to include some of the

The Story of the C.W.S.

richest and best land in the district, the farms are to be used to supply societies with potatoes, peas, onions, grain, and other produce of the kind. . . . A further purchase in 1913 of a farm in the Whalley district of Lancashire for the purposes of cattle breeding also calls for mention here.

In more than one of the general chapters of this history the reader will have found some account of the joint tea department as it was during the particular period described. The growth of the C.W.S. tea trade in the early days of Joseph Woodin was not to be separated from any general view of the then North of England Co-operative Wholesale Society. At a later time the history of the department twined itself with the narrative as it concerned the London Branch. Too late in the day for such a division, we are reaching a point when the story of the department could well be told in a separate chapter.

Designs were prepared by Mr. Heyhurst, of the C.W.S. building department, in October, 1891, for a big, new tea-blending and packing warehouse, facing the London Branch frontage to Leman Street. These plans provided for unobstructed floors from side to side of the interior of the building, but the London County Council insisted upon fireproof divisions, such as still make the branch interiors the despair of the photographer. The now well-known difficulty of ancient lights also caused delays. But at last the elevations—of Leicestershire brick and Derbyshire stone—rose broad and tall over Leman Street and Great Prescott Street. On Monday, March 22nd, 1897, the ceremony of opening the warehouse took place. Whoever compares the co-operative system with private trading ought to consider these openings. Build they never so magnificently, the millionaire merchants and the officials of mammoth companies must enter into their great possessions unattended by admiring throngs. No big number of people is interested. There is no affection at all, not even cupboard love. But the humblest co-operative store, whether in Britain or in remote quarters of the Continent, will open with flags flying and bands playing, and processions and speeches. At eight o'clock of the morning on this early spring day, breakfast was ready at Leman Street for the incoming delegates. Some two hours afterwards the chairman of the Tea Committee declared the building open, and the 1,500 co-operators about him followed his lead inside. Later, there arrived some twenty carriages and a hundred brakes, and even

The Tea Warehouse Opens.

"rumours of a motor car," said the *Co-operative News*, "sped freely in the crowd." Loaded with delegates the vehicles started in procession, for lunch—or, in democratic language, dinner—at Olympia. Unfortunately for massed effects, working people's best clothes frequently have to be of the kind which is also useful at funerals; and since this was still more widely the rule some years ago, the *News* reporter found it "a sombre, not to say mournful, parade." They would have done it more brightly in Hungary. Yet, although "none of the speakers realised the toast list," but "spoke as if to resolutions," there was nothing mournful about the after-dinner felicitations of Messrs. Bates, Shillito, Maxwell, Gray, Tweddell, Hawkins, Murphy, and others. . . . Two months after this celebration the London Branch and tea department employees, whose wives brought the number of the company to over a thousand, were entertained by the C.W.S. at the Crystal Palace, in remembrance of the opening.

The question of the C.W.S. sending out all goods to societies carriage paid was a persistent problem from the early days of the Society. Although a minor point it could always be counted upon to raise a discussion. The opposition between the apparent simplicity of the proposal and its real complexity, where goods of a thousand kinds subject to a hundred circumstances were concerned, was sufficient to create arguments that are still heard. Where practicable the C.W.S. Committee met the desire for carriage-free parcels. In 1897 they so arranged in regard to the Middleton productions; while in other cases the fact of a general equality of prices, regardless of whether goods were ordered from branches, depôts, or works, prevented any hardship to small societies. In 1898 the Committee extended the practice of free carriage to packages of tea over 96lb. weight. A more important development in connection with the department was a better-defined partnership between the C.W.S. and the Scottish C.W.S. A joint committee, three-fourths English and one-fourth Scottish, was to be formed for the control primarily of the tea department, but also of any other business mutually entered upon. Profits would be divided between the two organisations half yearly; and, in general, overlapping would entirely be prevented. These proposals, which superseded a more primitive arrangement obtaining since 1890, and involved a change of rule, were unanimously adopted in December, 1900.

We have all met with those extraordinary tea shops the windows of which are filled with cheap crockery, furniture, drapery, or

The Story of the C.W.S.

anything except the article on sale. Their existence from an early stage in the modern history of humbug points to the ease of burdening the tea trade. Tea is so universally in demand, so easy to hand over in packets, so sure in its profits, that it has seemed marked out for the bearing of impositions. Thus the giving of "presents" with tea led to the selling of packet teas carrying "bonuses;" while these were eclipsed only some ten years ago by a gigantic pretence of "pension" teas. Advertised in all working-class quarters, pension teas entered home after home like an epidemic of measles, especially as the swiftly-accumulating profits enabled the first claims by widows for "life pensions" temporarily to be met. The disillusion came with the natural maturing of further claims. It was then a matter for the law courts (in 1905), where Mr. Justice Buckley described the scheme as one for attracting married women to buy the tea at 40 per cent above its market value by "the delusive and reckless promise of impossible pensions." Half a million women had become purchasers, and 19,000 widows were calling for a fulfilment of obligations. Ultimately, in 1909, the official receiver made one lump payment of 32s. to each widow on the company's books for a "life" pension of ten shillings weekly, and another payment of 16s. to discharge each five shillings a week claim. This constituted a final and complete settlement. The multitudes whose confident overpayments had made even so small a return possible received nothing.

Like all charlatans, the promoters of this scheme traded upon a real need. Although they are wise enough not to let it weigh upon them, many wives and mothers know how hard their position may at any time become; for more and more doors to professional or manual employment stand shut against the widow with children. Workmen's compensation acts, trade and friendly society benefits, industrial assurance, and accumulations of dividend at compound interest in co-operative stores, all help to relieve this anxiety, but without removing it. . . . Admittedly with a difference (the practice, of course, not being fraudulent), the usual purveyors of bonus teas also exploited the working man's needs and difficulties. They traded so successfully that co-operative societies felt obliged to act in self-defence. In September, 1898, the Committee reported the demand that was growing up. "Societies inform us that their members will have 'bonus' teas, and unless their requirements are drawn from us they will be obliged to go elsewhere." In consequence, some 150,000lb. of tea during the previous year had been packed

“A Matter of Policy.”

by the C.W.S. in local societies' own “bonus” wrappers for sale at enhanced prices. This unexpected development the Committee did not welcome, and therefore they put the following resolution before the delegates:—

That in the opinion of this meeting the practice of selling bonus tea is anti-co-operative and inimical to the best interests of the movement, and we pledge ourselves to further the policy pursued by the Committee to discourage and, as soon as possible, to discontinue the trade.

This resolution met with hearty support. The practice had taken root chiefly around Manchester, yet at the Manchester meeting only a faint “no” replied to the “ayes.” Elsewhere the vote was unanimous. But it did not stay the demand. This continued, and caused another battle to be fought on the question in December, 1906. The Eccles Society then brought forward a resolution, reaffirming the decision of 1898. Victory this time was a little less easy, since the Manchester district societies only supported Eccles by 101 votes to 96. Over the whole country, however, the vote was against bonus tea by 1,326 votes to 98. But from the nature of the co-operative movement it follows that questions of trade are decided finally over its counters rather than in its meeting-halls, and this democratic court of appeal was not of the same opinion. Hence the selling of C.W.S. teas by societies under their own bonus wrappers still continues. But the dealing in “bonus” teas by a proportion of the retail societies at least has this to be said for it, that it is not conducted unfairly to the customer. Like one who pays into a shop “club,” with each packet of tea bought the stores' customer puts something by on account of other wants in other departments of the store, and the wrapper is her credit. She changes a few coppers wittingly into a form of co-operative currency that is not otherwise negotiable, and therefore cannot be used for any other than a household purchase. At the same time the interest earned on the society's advance receipts goes to help the general stores dividend. Thus, while one may regret the peculiar needs which so complicate trading, a fair conduct of the business itself has proved possible. “The question of bonus tea,” wrote the veteran co-operator, Mr. Noah Briggs, in the *Co-operative News*, “is a matter of policy rather than of morals,”—a conclusion well illustrated by an announcement taken from the local *Wheatsheaf* pages of a Lancashire society for February, 1913. The paragraph is headed “Bonus Tea Checks,” and runs:—

These may be obtained when purchasing tea, and are to the value of 10d. for each 1lb. purchased. The method is clear and above board, without the

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slightest taint of any deception. The value of the tea check is plainly marked in cash figures, and it is known to be an addition to the actual selling price of the tea. The checks so obtained may be exchanged for goods in other departments. Briefly explained, this is simply a system of enabling members to make provision for future purchases. Last year goods to the value of £1,151 were purchased by bonus tea checks. No better proof of its usefulness can be urged.

Practices essentially different the C.W.S. tea department has wholly declined to adopt. To weigh paper as tea, with the legal excuse of a line in small type somewhere on the packet, or to imply that the very best tea is being sold at a price only possible for a cheap leaf, is and always has been outside its scope, the department, with the retail stores, standing in this respect upon the same ground as the most conservative private traders.

A word may be added concerning the tea packers at Leman Street. Chiefly girls and women, they form a fine body of workers, enjoying wages and conditions not to be bettered in the country. Yet, on a day in 1904, the co-operative world was astonished to find the case apparently otherwise. A misunderstanding between the then manager and the workers had produced a one-day strike, and promptly a London newspaper had rushed in with charges of sweating. The indignation even spread to Lancashire, where a Southport minister referred to the "inhuman treatment" of these "slaves of modern commercialism." But the strike was hardly declared before it was settled; the storm subsided, and the London newspaper ate its words. A tea-packers' union arose from the storm in a teacup; and in the *Co-operative News* of March 11th, 1905, Miss Mary Macarthur, the well known women's trade union leader, reported that "the C.W.S. girls gave less trouble than any other union in London; they were so well able to manage their business and so loyal and earnest." The Union of C.W.S. Tea Packers since then has been merged in the National Federation of Women Workers.

As representing the Bury Society at the Quarterly Meeting of June, 1891, Mr. T. Killon moved that the C.W.S. federation should begin tea growing, but his motion fell to the ground. During the nineties, however, a deputation from the C.W.S. went to India with the idea of the Society becoming a tea grower. No positive result followed from this visit; but in December, 1901, the Committee asked for "a general authority to purchase estates when a suitable opportunity arises." This being unanimously granted, in June, 1902, the Committee reported the buying of the adjoining Nugawella

Tea Growing in Ceylon.

and Weliganga tea estates, about 17 miles from Kandy in Ceylon. The area of the two was 364 acres, freehold, and the price, including the buildings and the shrubs, was £9,820. The purchase was made jointly with the Scottish Society under the new partnership. A further purchase of 321 acres, with a factory and machinery, was made in 1907; but this has been eclipsed by the big developments of 1913. The latter has resulted in the possession of the Denmark and Westhall group of estates by the two Societies, a purchase of over 2,000 acres, bringing the area of land held in Ceylon to a total of 2,899 acres. The different estates now form two groups, with one factory for the whole, under the management of Mr. Benzie. At Colombo the C.W.S. representative is Mr. G. Price, a good co-operator who has recently been appointed to the position, previously having had charge of the co-operative stores in York. Materially aided by the possession of these tea plantations, the joint tea department in London, which began, after the cessation of the agreement with Mr. Woodin, with four men and six boys on November 1st, 1882, reached at the end of 1912 the position of supplying to English and Scottish co-operators 25,000,000lb. of tea. For several years the London head has been Mr. W. B. Price, who, simply by a coincidence, shares one name with the agent at Colombo. The chief tea taster and buyer is Mr. Lawrence.

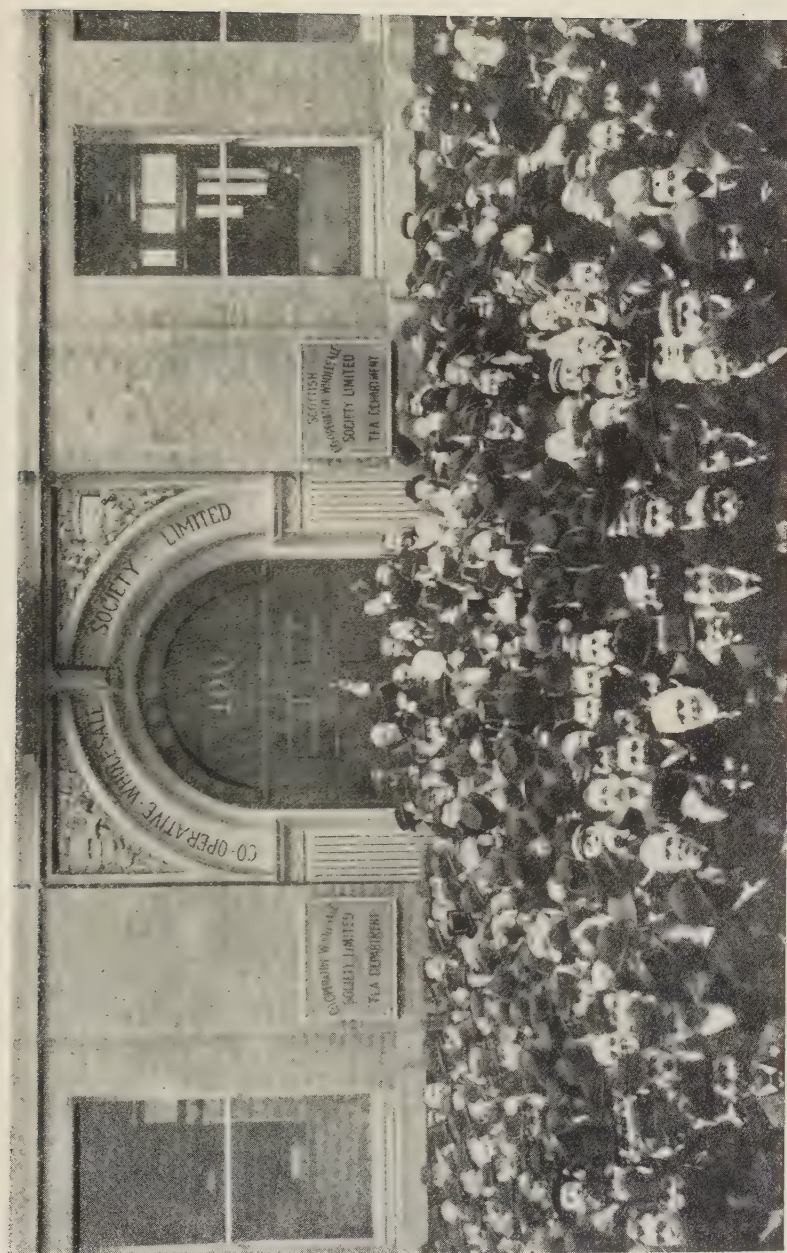
While the business of the Society expanded so greatly from 1895 to 1900, it still was doing no more than keep pace with the extension of retail co-operation. Upon the figures of total returns it was, indeed, falling a little behind. Deductions, however, would have to be made from the retail total to represent differences in prices, local productive effort, and other important details. Still, the space between was sufficient; moreover, the co-operative market was being more heavily assailed. Manufacturers and merchants had learned its value. It meant large, relatively simple, and steady orders, with prompt payments and no bad debts. If they could command this market the extra benefit of its special organisation would be their unearned increment. And to help them they had the new ideas of advertising coming into the country from America. The hoardings, the new cheap periodicals, and the thousand devices of the agencies already were theirs for attracting the co-operator from outside when they were allowed the further advantage of appeal from within. Not only were private showcards exhibited in co-operative stores, but educational committees themselves admitted private traders'

The Story of the C.W.S.

advertisements to the columns of the journals of record which they issued. Having thus realised the commercial possibilities of their space, they would then ask the C.W.S. to make its announcements at a similar price. It was upon this point, precisely, that the Committee, in September, 1894, brought the question to the notice of the delegates. Opinions were immediately expressed at Manchester against the C.W.S. being charged for space in societies' magazines. A Dewsbury delegate stoutly declared that "if the Dewsbury Society could not afford to run their *Pioneer* without being subsidised by the Wholesale or private traders they would give it up." But over and beyond this special form of it, there lay the general question of advertising. Not less than elaborate window displays, all trade advertisements were disliked by the old co-operators. It was not because they shrank from holding up their light. On the contrary, Cooper's letters to the leading men of the day and the general propaganda of the *Pioneers*, backed up by Holyoake, Hughes, Ludlow, Neale, and others, gave to the ideas of co-operation a publicity which it has hardly enjoyed since. When a delegate in 1894 said that "the rank and file of the co-operative movement knew as little about the Wholesale and its meetings as about Cochin China," Mitchell quickly replied that if the members did not know they ought to know. The objection was solely to a costly, because competitive, commercial advertising. Those who attended or read the reports of quarterly meetings, and knew all about the C.W.S. works, naturally had no wish to spend the common funds upon flamboyant appeals to themselves to buy their own jam or soap. And if all had been like them it would have been a sheer waste. But there is much difference in an "if;" and, as Mr. R. H. Tutt, of Sheerness, said, "there was advertising *and* advertising"—

In his opinion their advertising should be confined to the "Records" and other co-operative channels. If they introduced a broad and general system they would fritter away a large portion of their profits. He did not think it would be either dignified or co-operative to do this. He would rather say to co-operators, "Spend your money in disseminating and developing your principles." They had showcards. . . . They wanted to create in the minds of store employees a desire to show them and to push the goods mentioned on them.

The Committee did not at this time put forward a resolution. But, on the side of general advertising, as a result of the discussion, they proceeded with the issuing of showcards and similar advertisement matter, and this work, with the organisation of exhibitions and lantern lectures, grew to the point of centralisation in one



THE OPENING OF THE E. AND S. C. W. S. LONDON TEA WAREHOUSE, MONDAY MARCH 22ND, 1897.



TEA PICKING; C.W.S. MAHAVILLA GROUP OF TEA ESTATES, CEYLON.

Advertising and the *Wheatsheaf*.

department, under the Secretary and Mr. H. Gill. In the main, such advertising has been self-defensive, and through "co-operative channels." Yet some of the largest halls in the country have been easily filled by C.W.S. exhibitions; while during recent years the success of exhibitions held throughout the summer months at Blackpool has resulted in the Society buying the building in Lytham Road formerly known as the Coliseum. Earlier chapters of this history have shown that, since the days of Owen, exhibitions of co-operative productions have played a leading part in co-operative advertising, and of lectures the same may be said; while the showcards of the C.W.S. have aimed at leaving no excuse for other displays.

In 1894 the C.W.S. chairman told the delegates that the appeals for advertisements in societies' monthly journals would oblige the Committee to take further action. A month or so later the tea department committee took up the question, and, in 1896, decided upon the issuing of a monthly magazine or "record." But it was by the General Committee of the Wholesale Society that in June of that year the publication of the magazine was finally announced. The intention, said the Committee's report, was to "diffuse a knowledge of the Wholesale and its productions amongst co-operators;" the literary matter was to be "interesting to the general co-operative reader;" there would be space for local societies' own matter, and the price would be nominal. Said the Committee: "We think the Record can be made the means of valuable propagandist work." In July, 1896, the first issue of the monthly appeared under the name of the *Wheatsheaf*, and at once it attained a circulation of 77,000 copies. In that month 129 societies ordered local pages totalling 370. Six years later the circulation had risen to 170,000 copies monthly, since which time original contributions and first-class illustrations have made of it (within its fixed limits) a general as well as a co-operative magazine. By 1913 the average monthly circulation was in excess of 470,000, while some 1,700 to 1,800 local pages were being added each month for about 500 societies. Edited from Balloon Street, the whole of the printing is centralised at Longsight. Gratuitously distributed, the magazine nevertheless is sold to societies by the C.W.S. on terms, however, that cost the Wholesale Society some £10,000 in 1912. The bulk of this subsidy went to the small societies, for whom the issue of a journal of their own would be otherwise out of the question.

The Story of the C.W.S.

Of the beginnings and continuations chiefly between 1895 and 1900 we have not yet exhausted the list. The drug works had commenced in connection with the Newcastle Branch; the Pelaw site had been purchased; the Rushden Boot Factory was built; and developments were proceeding literally from Silvertown to Sydney. But all these have their place elsewhere. This long chapter closes at last; and it closes amidst the shadows of the Boer War and an Indian Famine. In 1899 the C.W.S. Committee were granting the army reservists among the employees facilities for rejoining the colours, and were responding to the call to "pay, pay, pay." In the following year gifts of £1,000 and another £1,000 were being made to the Indian Famine Fund, with, however, strong expressions of opinion from the delegates that the British and Indian Governments ought to prevent the necessity of such appeals. Neither war nor famine as directly affecting the British Empire has cast its gloom upon us since; and looking back to the old century, over the short interval of the dozen years, one is glad for these reasons that the past is the past.



THE JOINT TEA DEPARTMENT OF THE ENGLISH AND SCOTTISH WHOLESALE SOCIETIES,
LEMAN STREET, LONDON, E., IN 1913.

CHAPTER XXI.

A CENTURY OF FLOUR MILLING.

Biscuits and Bread—Why the C.W.S. Waited—Co-operative Flour Milling in 1797—and in 1857—The Old Order and the New—In Unity or Separation ? —Dunston Flour Mill—Silvertown and Avonmouth—The Question of the Lancashire and Yorkshire Mills—The Transit of the “Star”—And the Rising of the “Sun”—A Real Achievement—Years 1795–1913.

STRANGERS to the C.W.S. must find it a little difficult to understand why its first productions should have been biscuits and sweets. Taken by themselves these were unsubstantial foods for a democracy in business. It would have been more fitting if the “republic of consumers” had begun with flour milling and bread making. And, as distinct from the Wholesale Society, the co-operative movement did originally apply itself to these first necessities. When in 1873 the Wholesale Society commenced production, co-operative flour milling already existed as an old industry; and it was a sincere desire not to injure other co-operative institutions which kept the C.W.S. out of the business until the opening of the Dunston mill in 1891.

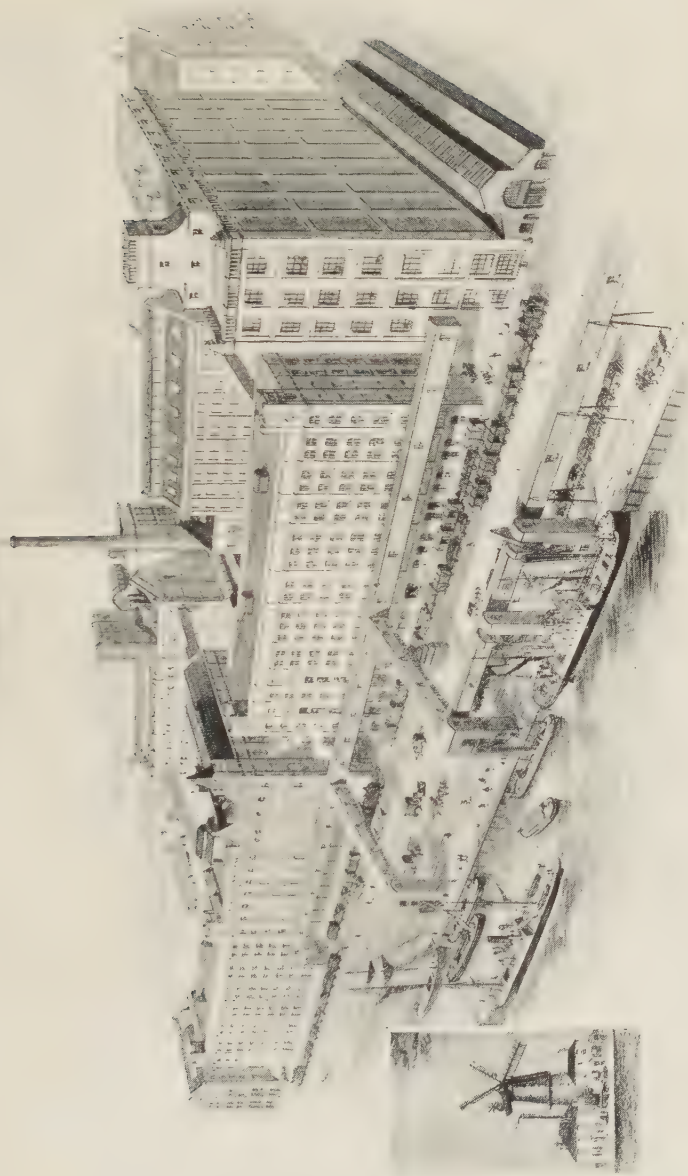
By that time the co-operators were within four years of the centenary of consumers' flour milling. In 1795 certain “poor inhabitants” of Hull, to preserve themselves “from the invasions of covetous and merciless men,” took the action which resulted in the Hull Anti-Mill Society. Bread, which had cost 1½d. per lb. in 1768, had advanced to 2½d. Wheat was at an average price of 72s. 11d. per quarter. “The price is much reduced at present,” said the founders of the Anti-Mill, “yet we judge it needful to take every precaution . . .” The need was proved by the average price of wheat rising to 119s. in 1801. These Hull co-operators proposed to pay 1s. 1d. per week each for four weeks and 6d. per week for four weeks more, toward building a mill which the subscribers and their heirs might possess for ever. Having reached this point, they petitioned the mayor and corporation for further assistance. With help from individual members of the town council the mill was built, and well built; and according to the *English Chronicle* of June 13th, 1797, quoted by Mr. Ben Jones in *Co-operative Production*, it was opened, even in those early days, in the true co-operative style.

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That is to say, there was a procession, a band of music, and "an elegant dinner;" and we need not quarrel with an earlier generation because "two crown bowls of punch were also drunk." The mill cost "upwards of £2,200," and the number of original members was 1,435. In 1811 the private millers of Hull are said to have indicted the society as a nuisance, but the latter triumphantly withstood an action at the York assizes. It succeeded, also, in meeting much more severe trials. Enlarged and remodelled from time to time, it outlasted all the radical changes in milling which took place up to 1895. Then, almost in the hour of centennial glory, it succumbed. "The dissolution," writes Mr. W. Litchfield, of Hull, "was chiefly due to the improvement and advance in milling, which they, with their limited capital, were not able to keep pace with, and so were beaten in competition. The share capital was not repaid in full. There was a distribution on the realisation of the assets, but many members had long before that given it up as a bad job, and burned or destroyed their cards."

A second mill was started upon the same lines in Hull in 1801, and one also at Whitby, after which date (excluding the small mill started by the Baking Society at Sheerness in 1846) there is a gap of more than forty years, until the opening of the existing Leeds Corn Mill in 1847. The Halifax Flour Society also dates from the latter year. High prices and adulteration impelled separate action in both towns. Success at Leeds influenced the beginning of a number of mills in Yorkshire and elsewhere. Amongst them was the Rochdale District Co-operative Corn Mill Society, founded in 1850. This society links the flour milling with the Rochdale Pioneers in its beginning, and with the C.W.S., the eventual purchasers of its mill. The Rochdale Society is the one from whose early *History*, by William Cooper, we have already quoted. Charles Howarth, "the constitution maker" of the Pioneers, was chiefly concerned in the drawing up of its rules. Cooper narrates that primarily the society was a protest against adulteration. The founders "believed that a great amount of matter injurious to health was intermixed with flour in its manufacture, in order to give the bread a whiter appearance, or to make more profits by selling an adulterated article." Other passages from the same booklet vividly illustrate the trials and temper of the time. Some supporters were loyal—

The Brickfield Store bought all its flour from the mill, and, whether it was good or bad, none else would they sell. The Rochdale Equitable Pioneers' Society did the same.



THE C.W.S. SUN FLOUR MILLS, MANCHESTER (as they will appear on completion of the extensions in progress in 1913).
(Inset: The Hull Anti-Mill of 1795—the First Co-operative Flour Mill.)



OTHER C.W.S. FLOUR MILLS.

- | | |
|-----------------------------|-------------------------|
| 1. Silvertown (London, E.). | 3. Avonmouth (Bristol). |
| 2. Dunston-on-Tyne. | 4. "Star" (Oldham). |

Pioneer Flour Milling

Others were distrustful—

When the Rochdale District Corn Mill Society had been at work some four or five years, a lodge (of a sick and burial society) in the town voted to invest some money in the mill, and appointed three representatives to take the same. They took it, but when they got there, and saw the committee of the mill, they durst not leave the money; so they went back to the lodge, and told them that there were weavers sitting on the Corn Mill Society's committee, and that none of the committee were rich men, so they had brought the money back to the lodge, that it might be safer than in the hands of working men.

This lodge, however, decided that "weavers were as fit to be trusted as bankers," and it sent fresh delegates with a larger sum of money. Still more important, the housewives of Rochdale were faithful—

The wife is mostly as good a supporter of the mill as her husband, generally putting up with the flour when it was not so good as it ought to be, and often, when she had a nice baking of bread, showing it to all neighbours and comers, that they might be convinced what good flour the Corn Mill Society was making. Certainly, some husbands would find fault with the wife when the bread was not good, and say she had spoiled the flour, to which some wives would reply, they could bake as well as other people if they had the same flour, and that they would not use the Corn Mill Society's flour if they were to be grumbled at because they could not make good bread out of bad flour.

The original Rochdale Corn Mill was a rented water mill at Holme, on the way to Littleborough, but in 1856 the society spent £6,827 upon a mill of its own in Weir Street, Rochdale. During the cotton famine this association was able to subscribe £10 weekly in relief of the unemployment, but its career both before and after that date included many misfortunes. Yet on the entire working it was able to show in 1889 a surplus of profits over losses of about £160,000, a sum equal to an annual payment of 12½ per cent upon the capital.

The Oldham Equitable Society was amongst the supporters of the Rochdale mill; but toward 1878 the members of that society developed a desire for a mill in their own town. In this matter the Equitable Society at the east end of Oldham joined hands with the Industrial at the west, and the Star Corn Mill was the result. The mill opened in 1870. It was partly refitted in 1883, but completely burned down in 1890. This disaster, although it cost the Star Millers' Society some £3,400 beyond the amount recovered from the insurance companies, really proved a blessing in disguise. It enabled the society to rebuild the mill as an entirely modern building and fit it with machinery of the same character. It is this mill which is now in possession of the C.W.S. Like the Rochdale and many other mills, the Star Mill eked out its local co-operative

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business by supplying individual members. Among the latter there were private traders—for whatever might be said by their official journals about co-operation, the traders were not at all loth to take advantage of the system when they had the opportunity. Indeed, more than one whose only investment had been £5 was obliged to draw out the dividends on his purchases again and again, simply to keep the total credit balance within the legal limit of £200.

Yet all the thirty or forty co-operative corn mills scattered over the country, whose careers Mr. Ben Jones has faithfully noted, had to face an extraordinary combination of circumstances against them. Three different sets of changes were operating with cumulative force during all the nineteenth century, to the end of radically altering all the conditions of the industry. First there was the change in methods and machinery. Steam entered into this and largely made it possible; but there were other causes than the introduction of steam. From the time when women or slaves first rubbed out corn between stones, or pounded it in mortars, humanity has desired a finer and a cleaner flour. Obedient to the force of this desire came the improved millstones of the wind-power and water-driving period, the sifting of flour by machinery in the eighteenth century, the substitution of silk gauze for the coarse "bolting cloth" in this machinery about 1850, and improved methods of cleansing the wheat. But it was the Austro-Hungarian system of roller mills which revolutionised milling machinery. Where the old mills sought to pulverise the wheat at one operation, the new system meant a gradual reduction by various steel rollers, admitting of "purification," or winnowing by air, between each stage of the grinding. This system was originated and developed on the Continent—in France, Austria, Hungary, Germany, and Italy—between 1820 and 1840. After 1860 it was largely adopted. Flour in increasing quantities was now exported from the Continent to England instead of wheat—we have seen that in the early days of C.W.S. shipping the importation of flour by C.W.S. boats from Hamburg was a sore point with the co-operative milling societies. But the results of the Continental system could not be denied. Onwards from 1882 the more enterprising British millers in quick succession began to change their methods. They rejected the old millstones and installed roller plants, altered to deal with the wider varieties of wheat which a policy of free trade enables us to import, and to grind successfully in our damp English climate. But, obviously, only large and strong mills could face the expense of the

The Old Order and the New.

change or compete for the trade necessary to make the new and complex machinery profitable.

The second change lay in the opening up of the virgin wheat lands of the world. This has had its greatest effect since 1875. From that year American exports increased, and Indian and Argentine wheats in huge quantities came into the market. During the whole period (1875-95) the annual average price of wheat declined much more swiftly than it did even during the ten years after the repeal of the corn laws in 1846-9. The general average fell from about 54s. per quarter to less than 26s., the extreme figure being 22s. 6d. in 1894.¹ This in itself was sufficiently ruinous for small mills with no great reserves of strength behind them, and compelled to meet powerful competitors.

And these two sets of circumstances produced another of a purely commercial character. Under the new conditions the successful mill must be on the great scale, and it must be so placed as to do the largest volume and variety of business over the biggest area and with the smallest cost in carriage. These necessities, as they arose, pointed to the need of flour mills being situated by the water side in or near the chief ocean wheat ports. Accordingly, the mills answering to such conditions thrived; while the inland mills, and especially the small and local mills (with co-operative mills amongst them) either laboured under disadvantages or were compelled to go out of business altogether.

Hence the forced inactivity of the C.W.S. during the best part of twenty years was not unfortunate for the Society. It prevented the possibility of a false step during a period of change. Delay in this instance was not dangerous. By the time the Committee were agreed upon a beginning the new methods had won their victory. The beginning, naturally enough, was made in the Newcastle district. In 1872, as we have seen, the Newcastle Branch, although hardly established, wanted nothing less than a Newcastle district corn mill. The actual mill then declined by the C.W.S. Committee sitting at Manchester was the one afterwards bought by the Gateshead Society, and sold without regret to the North-Eastern Railway Company four years later. In the same year of 1872 seven Northern societies federated as the Derwent Flour Mill Society, and began business at Shotley Bridge, Durham. The Carlisle and Cleator Moor Societies already had mills of their own. But as compared

¹ Chart, Supplementary to the *Corn Trade News*, February 24th, 1909.

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with Lancashire and Yorkshire these mills left the Northern co-operators only slightly provided for. The feeling in favour of C.W.S. action persisted, and in December, 1883, proved strong enough to secure a resolution of the Quarterly Meetings to the effect of a flour mill on the Tyne being "desirable." After a favourable report of the Branch Committee the proposition was keenly debated early in 1884. Many delegates wanted "our friends in the North to do this for themselves." The latter were to be independent, to find their own capital, build their own mill, and so on, like the stalwarts of Lancashire and Yorkshire. That the Wholesale Society was "themselves" did not dawn upon these very self-reliant advocates of parochialism. At the Newcastle meeting itself the Newbottle Society's resolution calling for a mill was barely carried by forty-one votes to thirty-nine. At Manchester it was adjourned. Three months later the battle was fought again. The Wholesale Society, it was said, had not the capital to do this for the North, and a London delegate had generously to assert that "Newcastle were part and parcel of the Wholesale." Democracy is often spoken of contemptuously as the rule of the odd man. Upon this matter wisdom rested each time with an even two. Newcastle were in favour by forty-two to forty; London by twenty-one to nineteen. The Manchester meeting carried the resolution unanimously. But, with a depressed state of trade necessitating grants in aid of distress in the North, no further action was taken until December, 1885. The Committee, hardly content with the previous bare majority, then asked for authority to establish a mill. Again a separate federation was advocated, and the official proposal was adjourned. The Northern Section of the Central Board (Co-operative Union) then called a conference at Newcastle of the societies concerned. Papers were read for separate and for C.W.S. action, but the discussion that followed showed that the delegates already had made up their minds. Mr. Tweddell, speaking for Hartlepool, forcibly put the main point of only C.W.S. action being adequate:—

At one time it was sufficient to put a coffee mill on the top of a mill dam, and it ran; but to-day the man who did the flour trade for the mass of the population was the man who had the position, the machinery, and the capital to do it with. Where were they likely to get capital for this purpose except through a federation such as the Wholesale? . . . They had got the men, they had got the machinery, and they had got the money, too.

The voting showed sixty delegates for the C.W.S. against fourteen for independent action. This was in February, 1886. At the March

The Dunston Flour Mill.

Quarterly Meeting of the C.W.S. the Newcastle district vote was 110 to twenty-nine. The South gave thirty-six votes for the Committee at London, with thirty-three in favour of adjournment. The Manchester district provided exactly 197 votes for each side. Happily for the chairman he was relieved from the burden of decision, for the total of the country gave a substantial majority in favour of building the mill.

The Committee advertised for land, and soon were inspecting sites up and down the Tyne. They chose the present site at Dunston on the Durham side of the river, opposite the Elswick naval ship-building yards, and on the outskirts of the borough of Gateshead. The area bought was 6,942 square yards, there was a river frontage of 464 feet, and the cost was £3,725. Arrangements were made with the Tyne Commissioners for a jetty and with the railway company for a siding. Questions of mineral and other rights connected with the site then caused delays, until the delegates began to doubt the value of the transaction; but these difficulties the Committee successfully overcame. A further obstacle was the nature of the ground. To provide a foundation it was necessary to sink seventy-one iron cylinders through the gravel left by the stream, here twice as wide as at the High Level Bridge. These cylinders afterwards were filled with concrete. Oak trees were found during the excavations, and the bones and antlers of deer, an old canoe, a bed of mussels, and some hazel nuts were brought to light. One of these nuts afterwards sprouted, producing a plant which, in 1891, was stated to be doing well in the grounds of Lord Ravensworth, near Dunston.

The work of preparing the site was proceeding slowly when, early in 1889, the need of the mill suddenly grew urgent. It became known that a scheme was afoot for combining all the private flour mills from the Humber to the Tweed. Under this trust "one and a half million consumers," it was said, would have been "handed over to a few London speculators." The alarm was sounded by Mr. H. R. Bailey, and a special conference of the Northern Section of the Co-operative Union was called. At this meeting the promoters of the syndicate were said to have approached the large societies in the North to the end of their becoming shareholders in the trust. The Co-operative Union, therefore, was congratulated upon "calling the co-operators of the North of England together before they should be led into a trap like that." The delegates pledged support to the existing co-operative flour mills and the C.W.S., while asking that no time should be lost in bringing up the Dunston reinforcements.

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The Dunston mill was built, from the designs of Newcastle architects, by the C.W.S. own building department at Newcastle. The erection of the jetty had given a maximum depth of forty feet of water on the river frontage, and also had enabled 12,000 square yards to be reclaimed from the tidal stream. Forty sacks per hour was the capacity of the mill machinery. The entire cost of the enterprise from first to last amounted to about £120,000. The Committee did not wish to place so heavy a burden of capital upon the new business; and, therefore, they wrote off part of the cost out of general profits from time to time during the construction of the mill as "special depreciation." In this course they were keenly assailed, but they stood their ground.

However, when on April 18th, 1891, the day came for the formal opening, there was no discord in the chorus of jubilation. Five hundred delegates walked in procession, led by music, and were ferried over the river to witness the naming of the two engines. The mill itself was opened by J. T. W. Mitchell, who, later in the day, presided at Tynemouth over the final demonstration. Dr. Spence Watson, Mr. T. Burt, M.P., Alderman Stephens, the Rector of Gateshead (Rev. W. Moore Ede, the present Dean of Worcester), with Messrs. E. V. Neale, William Maxwell, and others, were on the platform with him. Neale recalled how a friend of his once had pooh-poohed a suggestion of the C.W.S. trade some day reaching to three millions; yet now (continued the veteran co-operator) they had got to eight millions, and in twenty-five years' time, "considering what the income of the working classes is estimated to be," it might be a hundred millions.

But the early quarters in the mill's career provided a rather unexpected sequel to these rejoicings. Between 1890 and 1894 the average yearly price of wheat per quarter of 280lbs., affected, as we have seen, by exports from the Argentine, fell from 37s. to about 22s. 6d., which remains the lowest average figure on record. Excellent for working-class consumers, this was rather awkward for a new mill bound to lay in stocks. And, while the silos were filling up at an unprofitable figure, the engines failed in their duty. This caused a long stoppage, for which an arbitrator awarded damages to the C.W.S. from the contractors. Moreover, the private millers already supplying Northern societies contested the market inch by inch; and later on there was a considerable over-buying of wheat. After explaining a loss of over £5,000 in June, 1892, the Committee were called upon to account for more than £12,000 only three

By Tyne and Thames.

months later. Up to the end of 1895 the loss amounted to £31,884—this, however, after the mill had borne charges for depreciation and interest, reaching to over £50,000. Losses like these, having such complex contributory causes, were, at any rate, effectual in weaning many minds from the illusions of profit-sharing. It was seen very clearly that the few score of working millers inside the mill, however carefully they watched the “flow” of the grain, and however necessary their skilled labour was, could have only a relatively slight effect upon results.

A change of management came in 1894, the mill then being put under its present head, Mr. Tom Parkinson; and since 1895 the yearly figures invariably have shown profits. In recent years the jetty has been extended to reach deep water at all states of the tide. Electric elevators on the jetty now are capable of taking up 5,000 tons of grain in forty-eight hours, while a vast grain warehouse and a great group of silos stand on the reclaimed ground between the jetty and the mill. Inside the mill, the capacity of which is over seventy sacks per hour, electric driving has taken the place of steam.

C.W.S. flour milling plainly could not rest with the achievement at Dunston. After its equipment the Tyneside mill was drawn upon from as far away as Bristol; nevertheless, the C.W.S. still found it necessary to import quantities of American and Hungarian flour. When the dried fruit buyers went out to the East they had opportunities on the way of seeing the great Hungarian mills and pondering the moral. And remembering how short a time had passed since almost every English countryside had included a corn mill, it could not be supposed that a democratic body of organised consumers would remain content to have their flour ground in far away Minneapolis or Buda-Pesth. Opinions in favour of more mills able to compete with the whole world grew in and outside the official core of the Society. The West of England, being comparatively quite unprovided for, was early in the field, but with a decidedly premature demand. There existed an undeniably prior claim for a Thames-side mill. This was urged in June, 1895, by the New Brompton Society. The Committee stated that four or five years earlier such a step had not been thought prudent, but a further inquiry would not be opposed. Approved by large majorities, the inquiry was made. It resulted six months later in the Committee asking power to obtain land for a mill in or near the metropolitan area. The West and South Wales were promised the erection of a mill upon their side of the country at a later time. Notwithstanding

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opposition on behalf of the Oldham and Rochdale mills, which considered themselves already injured by Dunston, the power was readily granted. The Banbury Society, indeed, although possessing a flour mill "dependent to some extent upon the societies around them," gave hearty support. And in June, 1896, the site of the proposed mill was announced. Five acres of freehold land on the north bank of the Thames at Silvertown were to be purchased at the cost of £2,500 per acre. This was the same price that had been paid at Dunston. The ground included a wharf and first-class railway facilities. The direct road, rail, and water communication, it was said, assured the mill a position superior to that of any other in London. It was foreseen, however, that, as at Dunston, it would be necessary to build upon concrete piles. Designed by the Society's architect, Mr. F. E. L. Harris, A.R.I.B.A., and erected by the C.W.S. building department, the mill was ready to produce twelve sacks per hour by the spring of 1900. On April 14th of that year the rolls were started by George Hawkins, the popular chairman of the London Branch. The general celebration followed on June 20th, when the manager (Mr. George V. Chapman) was in a position to book orders from the six hundred delegates attending.

In view of the Dunston experience, a balance on the wrong side after a first half year's working at Silvertown was received quietly. The attitude was justified by a profitable half year within eighteen months of the opening. This satisfactory state added enthusiasm to another celebration which took place on April 28th, 1902. By that date the machinery had been duplicated, and the new plant was started by Mr. Shillito. Upon a balance of the whole period, 1900-5, a profit of nearly £7,000 appeared; then, however, five lean years followed. At the first opening one of those present to congratulate the co-operators was a very old friend of the movement, Mr. Wilson Marriage, an ex-mayor of Colchester, and himself a flour miller. It may be supposed that he did not represent all his fellow-millers. In 1906 and the following years a most determined attempt was made, chiefly by new firms established on the Thames, to capture the co-operative trade. American competition also was felt severely. Losses were discussed at quarterly meeting after quarterly meeting. Yet these discussions usually had the effect of renewing confidence. There were the amounts paid in depreciation, interest, and dividend on purchases to be considered; there was also the fact that it was just the existence of the C.W.S. mills which brought the private millers round co-operative doors, anxious to do trade at less than

At Avonmouth.

normal prices. Meanwhile a stoppage of the mill in 1908, during a change from steam to electric driving, helped to account for the heaviest loss. The capacity of the Silvertown mill is now fifty sacks per hour; while, with this greatly enlarged production, the figures in the balance sheet have been uniformly favourable.

The steady progress, against all obstacles, of C.W.S. flour milling in the southern half of England was emphasised by the erection of the promised Western mill in 1908-10. In September, 1907, the Committee asked approval for the lease of some three acres of land at Avonmouth, for 999 years, at £400 a year. While Manchester has brought the ships of the sea to itself, the city of Bristol has gone to the open water, like Mahomet to the mountain. Reaching a long arm over the beautiful countryside between itself and the Severn Sea, Bristol has made a new Avonmouth, and stretched the city boundaries to include it. With this, municipal enterprise the C.W.S. co-operated when it leased its Avonmouth land from the Corporation of Bristol. Being the first millers to settle on the estate, the Society was able to choose a site beside the Corporation granary and practically upon the quays of the deep King Edward VII. Dock. When the mill, which cost in all £63,000, was opened by Mr. Lander on April 27th, 1910, in the presence of delegates who had filled two special trains from Temple Mead Station, the occasion resolved itself into a civic function. At the luncheon, under the presidency of Mr. Shillito, the Lord Mayor of Bristol, the chairman of the Docks Committee, and other leading citizens sat with a host of co-operators from Bristol and South Wales in particular, and all England in general. The Avonmouth mill is equipped for producing thirty sacks per hour (with large extensions in view at the end of June, 1913), and is under the charge of Mr. A. H. Hobley; and there is also a provender mill housed in its own special block.

The youngest of the C.W.S. mills, the Avonmouth establishment has suffered what on all sides would be admitted as the misfortune of a strike. Into an area of low wages, and comparatively easy-going working conditions, the C.W.S. brought its minimum standards. This included a wage of 24s. for adult male labour, rising in the case of the flour mills to 25s. and 26s. 6d. after one and two years' service, for a 53-hour week. The rates for overtime brought up the actual annual average wages paid to from 30s. to 40s. weekly. Taken altogether the general conditions admittedly were much better than in competitive mills. Some years ago the trade organisation of the millers dwindled in membership until, significantly enough, its only

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adherents were men in co-operative employment, and these members were taken over by the Amalgamated Union of Co-operative Employees. The Avonmouth millers, forming a branch of this union, while unconnected with their fellow-millers under private employment, decided that the general standard desired by the A.U.C.E. should apply to their work, rather than a millers' standard. In August the question of a 48-hour week and a minimum of 6d. per hour, with a rearrangement of overtime, was discussed along with minor details by the management and a deputation of the employees. Certain concessions were granted, but on main points it was made clear that the Society, as employers, had already gone to the farthest possible. About two months later two employees were discharged for conduct which no trade unionist who investigated the matter afterwards attempted to justify. Under the circumstances a cry of "victimisation" arose. While one of the two men was attached to the A.U.C.E., the other belonged to the Dockers' Union, which interviewed its member, and then declined to support his case. The millers, however, asked for the reinstatement of both, and talked of a strike. The C.W.S. Committee made inquiries, and then informed the employees' union that they would not interfere with the manager's action. Three weeks later, on December 6th, as a result of a ballot, twenty-four hours' notice of a strike was given by the millers, and the mill ceased work the following morning. A deputation from the Bristol Trades Council met the C.W.S. Productive Committee at Bristol on the 8th without result. Meanwhile the strike excited attention in Bristol, and the Bristol Co-operative Society indicated to the C.W.S. its sympathy with the men. On the side of the C.W.S. the entire matter was submitted, according to constitutional practice, to the Joint Committee of Trade Unionists and Co-operators; and the committee, which included Messrs. Bowerman, Mullin, Seddon, and Thorne, met at Bristol on December 27th and again on January 2nd. They came to a unanimous decision that neither of the men had been discharged for any trade union activity, and they regretted that the A.U.C.E. had not submitted the issue to the joint committee prior to the strike. But the men, who were receiving £1 per week strike pay (10s. for non-unionists), declined to accept the verdict, and remained out until January 15th. On the 14th, however, the union refused to support them further, and the C.W.S. intimating that patience was exhausted and that other men would be engaged, the five-weeks' strike came to an end. In this connection it is worth noting that

An Adjustment of Interests.

about the same time a strike was in progress at a large private mill in the North, and the employers there, in asking the men to state the conditions at other mills, expressly excepted the big co-operative mill. "They were not prepared to accept the conditions obtaining at the Co-operative Wholesale Society's Dunston Mill, the C.W.S., in their view, not being a competitive firm."

We must now go back a few years, to the time when developments by Tyne and Thames still left the metropolitan area of the co-operative state unprovided for by the C.W.S. From toward the close of 1896 until the summer of 1900 the "delicate question" of filling the gap was debated by different meetings of committee-men and buyers within the Society's inner circles. Various reports, adjournment, and resolutions led at last to open action. Special conferences were called by the C.W.S. at Manchester, Nottingham, and Dewsbury. At Manchester Mr. Lander gave the result of some inquiries by the C.W.S. Committee into the co-operative flour trade, and the power of the existing co-operative corn mills to supply the ascertained demand. The inquiry proved the existing co-operative supply to be insufficient by more than ten thousand sacks weekly. A long discussion failed to alter or obscure the logic of this statement, and upon a show of hands there was a substantial majority in favour of a new C.W.S. mill in Manchester. A similar conclusion was reached at Nottingham, but at Dewsbury a feeling in favour of a C.W.S. arrangement with the existing mills was strong enough to cause a postponement of the expected action. Conferences of C.W.S. and federal mill representatives were now entered upon, as the result of which, in June, 1901, the Wholesale Society's Committee announced an agreement whereby the national federation would become the agent of the local bodies. But this could only be a half-way step. Lancashire, Yorkshire, and other societies outside the Oldham and Halifax areas continued to ask for a mill of their own through the general union. From Burton-on-Trent to Masbro' societies asked for a corn mill in the Midlands. A Mersey district committee of Liverpool and Cheshire Societies was formed to press for a mill on the Mersey estuary. The Hull and Grimsby Societies, backed by East Yorkshire generally, made out a strong case for a mill beside the Humber. North Lancashire Societies, with other propositions, swelled the chorus. And the irresistible argument from surplus demand did not diminish with the yearly increases of co-operative trade. But the existing suppliers, fearing the advent of a new, big C.W.S. mill, desired to secure prior consideration for

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themselves. Negotiations, therefore, were begun for the transfer of their flour milling to the Wholesale Society.

There is no need to follow in detail the progress of the bargainings. In September, 1905, it was announced that the Rochdale Corn Mill Society had agreed to sell at £15,000. But the Rochdale mill already belonged to history rather than to practical flour milling, and, although it was worked for a short time by the C.W.S., eventually its machinery entered into its last rest. The millers, however, with the exception of one or two employees who preferred other courses, retained their positions with the Society. The building itself has not passed out of the co-operative movement, but is used by the present C.W.S. paint, varnish, and colour works. Meanwhile the Star millers had declined the £60,000 for their property (exclusive of stocks, sacks, and so on) finally offered by the C.W.S. This, however, left the Wholesale Society free to proceed with the building of the mill at Manchester practically already resolved upon. So, three months later, the offer of £60,000 plus agreed values of stocks, which worked out at 34s. 3d. per £1 of share capital, was accepted by the Star Mill Society. In consequence, on Saturday, March 31st, the Oldham mill became the property of the national federation. "The passing of the Star," said the *Co-operative News*, "was by no means a melancholy function." It was celebrated by a social gathering of delegates and private shareholders to the number of 350. At this meeting it was stated that since the starting of the first machinery in 1870, the mill had returned a total profit of £134,479. "They were winding up their society," said Mr. Pingstone, speaking for the C.W.S., "but it was a different winding-up from some they knew."

Upon the other side of the Pennines the societies were obdurate. The C.W.S. last offers were £84,000 for the Sowerby Bridge Mill, £60,000 for the mill at Halifax, and £12,000 for the Colne Vale Mill. Having before them the published nominal values of the properties, and the reports of their own valuer, the Committee stood firmly by these figures. Accordingly, the Sowerby Bridge and Colne Vale federations eventually agreed to transfer; but the purchases were conditional upon Halifax also coming to terms, and a failure in that quarter ended the whole negotiations. The result was unfortunate in that it marred the completeness of the C.W.S. operations. At the present day there is a rather obvious gap between Dunston, which is in touch with the North-East coast, and Silvertown, which is open to the tides of the North Sea on the South-East. Nevertheless,

The Rising of the "Sun."

the consequences have been loyally accepted, and a C.W.S. flour trade is discouraged in the district of the West Yorkshire co-operative mills. It may be added that no question arose of buying the few mills still running practically as local societies' departments.

At one of the Quarterly Meetings during the early days of this nine years' flour-milling movement the then competition between the Rochdale and the Oldham mills was touched upon. A delegate suggested ending it by letting the C.W.S. take both, and his remedy was received with laughter. Yet in this way the old Rochdale mill (or 19s. in the £ of its share capital) was saved from the pressure of the Star; while the owners of the Star themselves escaped a new menace. The making of the Ship Canal meant a reconsideration of Manchester as a modern milling centre, and a consequent depreciation of a locality seven miles too far from the waterway. With the opening to builders of the Trafford Park estate on the banks of the canal any difficulty about sites vanished. And in 1906, when the C.W.S. Committee went to inspect land adjoining the waterway on the Old Trafford side of Manchester, a large firm of Liverpool millers, doing business with co-operative societies, had just completed a big, new mill. The Committee were within a week of deciding their own purchase, when they learnt that (no doubt in view of the Wholesale Society's forward action) the owners of the recently equipped and desirably placed "Sun" Flour and Provender Mills would be willing to negotiate for a sale, and a retirement from the field. Response was made promptly, and with such effect that a gathering of five hundred co-operators rejoiced over the Sun Mills as a new C.W.S. possession a full month before the buying of the building, machinery, and 5,659 square yards of freehold land, for £80,000, could be approved constitutionally by the Quarterly Meetings. The mills indeed were taken over on April 28th, 1906, and formally inaugurated on May 10th, while the purchase was regularised by the delegates on June 10th and 17th. After the years that had preceded the building and acquiring of the other mills, such celerity proved astonishing, and co-operators rubbed their eyes and asked "What next?"

What has followed in flour milling is that the C.W.S. having gone from "Star" to "Sun" has proceeded to create a pair of luminaries after the fashion of other solar systems than ours; in short, a double sun. To meet "Wholesale" needs the buildings were extended and packed with machinery, and the capacity was thus increased to 72 sacks per hour. At this point began the building of the second Sun Mill, the opening of which is likely to be a jubilee event, as it

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will certainly afford a glad relief to the existing mill. The double "Sun" will be capable of producing the enormous quantity of 142 sacks, or 39,760 pounds weight of flour every hour. How many grains this might be in a year we leave to the higher mathematicians. A new wharf has also been constructed, enabling the cargoes of the largest steamers using the canal to be taken up by the mill elevators and discharged direct into the giant silos. Both the "Sun" and the "Star" mills are under the one management of Mr. Matthews, formerly in charge of the "Star," assisted by Mr. Lord, who controlled the Rochdale mill at the time of its purchase. The Provender Mill is under Mr. W. H. Slawson.

The hundred years and more since the opening of the Hull Anti-Mill forms a period of which co-operators need not be ashamed. Under the revolutionary changes of the century there have been dissolutions and retirements from business, but no real disasters. And the close of the chapter leaves co-operative flour milling represented not merely by survivors from among a host of pioneers, but also by these modern mills which put the Wholesale Society probably in the position of being both the largest flour millers and the owners of the greatest individual mill in the United Kingdom. Night and day, at the rate of over 250 sacks hourly, this vast machinery works for the two million or so consumers who are its ultimate proprietors. When one looks at the boxed-in steel rollers, the steady flowing of this flour seems very simple to arrange; and it is equally simple to test the results by the profit and loss account of a balance sheet. Yet in reality a thousand facts are concealed under either of these aspects. The varieties of taste in consumers; the difference in pocket between North and South and town and country; the need of home bakers here and machine bakers there; the just title of consumer's societies to any benefit that will cheapen the workers' loaf; the equal claim of organised employees to the best possible wages, hours, and conditions; the necessary demands of sound business; the required consideration for every co-operative interest; the difficulties of carriage, of centralisation, and local sympathies; the limitation of the mills to co-operators, but not of co-operators to the mills; the constant influences of outside competition and advertisements; the almost endless fluctuations and variations of a wheat supply that is from all the world; the intricacies of milling systems, "flow sheets," and manifold technical details—that, in the midst of all this, co-operators have been able so strongly to maintain their original ideal is no small triumph.

CHAPTER XXII.

FROM IRLAM TO PELAW.

On Cleanliness—And the Profit of it—Goodwill and the Consumer—From Durham to Irlam—A Working Arrangement by Soap Makers—*Punch* and the "Soap Trust"—Results at Irlam—Silvertown and Dunston—Sydney Tallow Factory—Lions in the Path—The Defeat of a "New Monopoly"—Tobacco and Cigars—Lard Refining at West Hartlepool—The Pelaw Works—The P.A.T.A.—Years 1889–1912.

UNLIKE the decent wearing of clothes or the writing of a language, the habit of cleanliness does not distinguish the civilised human being from all the million varieties of animals. Many creatures take pains to cleanse their skins, and man simply has sought for more effective means. To record the success of the search would be almost to write the history of domestic civilisation. Yet in one point of importance the progress is incomplete. The naked African, who uses sand and water or oil or fat mixed with wood ash, still has one advantage over the ordinary consumer who skips the soap advertisements in his halfpenny newspaper to-day. The untutored African may supply himself with the cleansing material of his simple use. He is dependent upon no soap lord, pays no toll of profit to the rich, and need not increase the inequality of his state every time he conforms to the standards of his tribe.

Early in its history the C.W.S., as we have seen, set out to remedy this defect. By the starting of the Durham Soap Works it restored to the modern consumer some control over his (or her) source of supply. And at the end of 1893 the old candle works which the C.W.S. had acquired in the cathedral city was producing about thirty-four tons of soap weekly, and yielding profits, quarter by quarter, of a few hundred pounds. Yet, remembering that the members of co-operative societies then numbered some 1,300,000 persons, the Society could not pride itself upon its achievement. These small totals did not compare with the published figures of the popular soap makers. The London *Star* of June 27th, 1894, commented upon two prospectuses of soap companies then recently

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issued. The flotation of the first company had meant a purchase of the business of A. and F. Pears for three-quarters of a million. The second involved a payment to Lever Brothers (by Lever Brothers Limited) of "just under £1,390,000." The total was made up by sums of £355,000 for freehold and leasehold premises and plant, £225,000 stock in trade, £59,000 book debts, and "three-quarters of a million goodwill." "This last item," said the *Star*, "is nearly double the amount paid in the case of Pears's soap, which was at the time considered so exorbitant as to lead to adverse criticism from most of the responsible financial journals."

Goodwill, of course, simply represents the attachment of consumers and their willingness to buy. It may be earned by service, as the favour of an employer is granted to a faithful servant, but the consumer remains the principal. To him belongs the value that he gives—a value within the power of the poorest to keep or to bestow. And when poor people by the hundred thousand were to be found giving to millionaires, even over co-operative counters, it became a question as to whether they were not more generous than just.

The Wholesale Society made up its mind to put the matter before co-operators in a practical way by offering them more soaps of their own manufacture. Durham was recognised as an unsuitable centre for larger operations. At the Durham works, for instance, there was no space for a glycerine recovery plant, the operation of which counts for so much in the profits of modern soap making; neither was it possible at Durham to commence making milled soaps. Again, soap is like flour in being a heavy article selling at a relatively low price and in requiring imported raw materials. No inland centre, handicapped with heavy carriage rates, could easily compete on a great scale with works beside deep water. Leaving the Northern factory, therefore, to do its best for the Northern district, the Committee in 1889 looked about for a modern site in the Manchester district on which to build. Birkenhead, Wallasey, Ellesmere Port, and Frodsham were visited by a sub-committee. At Frodsham £22,000 was asked for two acres of ground occupied by old tumble-down buildings. Ellesmere Port, on the Cheshire side of the Mersey, was then undeveloped, and an excellent site in this place was strongly recommended by the sub-committee, but, unfortunately, the proposal fell through. Eventually, largely under the influence of Mr. Mitchell's enthusiasm for the Ship Canal, another position was selected some twenty-four miles nearer to

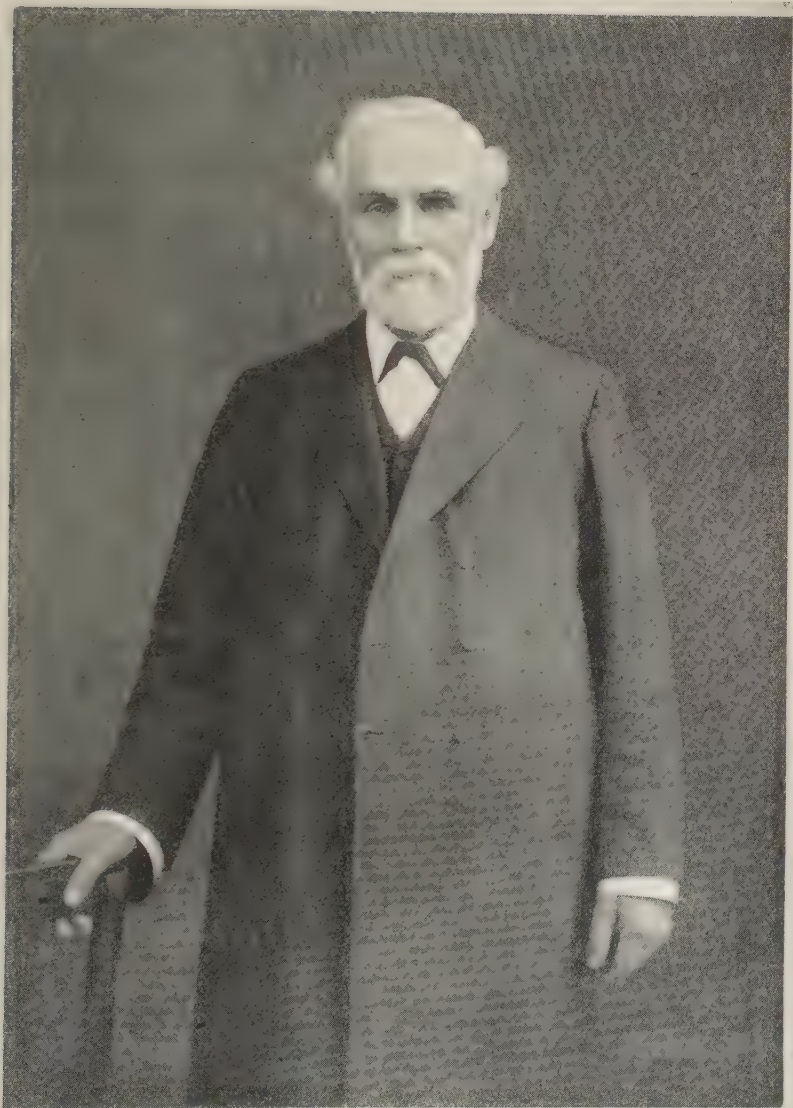
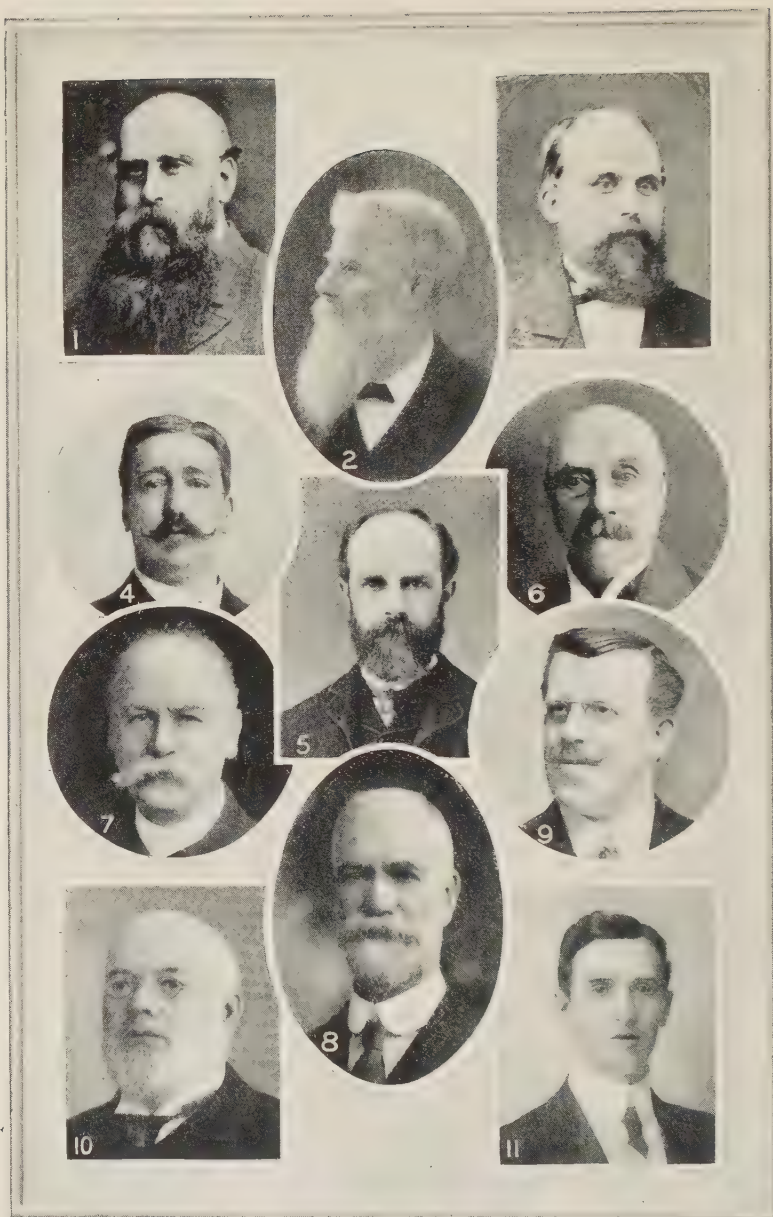


Photo:]

[Mauill & Fox.

JOHN SHILLITO, J.P., F.R.G.S.,
Chairman of the Co-operative Wholesale Society Limited.



PAST AUDITORS TO THE C.W.S.

- | | | |
|-------------------|-------------------------|---------------------|
| 1. James White. | 2. A. Howard. | 3. W. Grimshaw. |
| 4. James Leach. | 5. J. Odgers (in 1880). | 6. W. Appleby. |
| 7. J. D. Kershaw. | 8. Thomas Whitworth. | 9. J. E. Lord. |
| 10. I. Haigh. | | 11. P. G. Redfearn. |

The Soap Works on the Ship Canal.

its inland terminus. In June, 1891, the Committee obtained power from the delegates to buy ten acres of land on the northern bank of the canal at Irlam, eight miles down from Manchester. This area afterwards was increased to fifteen acres. The purchase anticipated by nearly three years the completion of the canal, and it was not until eighteen months after the latter event that the new soap works was built and opened. On Wednesday, October 2nd, 1894, a special train from Manchester brought down 600 delegates for the formal opening, and a tour of the new property quickly roused their enthusiasm. At the cost of £8,000 a "lay-by," or dock, from the canal had been built adjacent to the works, and railway sidings gave a more intimate connection. The C.W.S. factories, indeed, formed the terminus of a kind of branch from the Cheshire Lines Committee's main road. The making of the canal had necessitated a diverting and a building of the track to reach the elevation of a high-level bridge, and the soap works now had the benefit of the old line from its junction with the new. In and out of the buildings the equipment was nothing if not modern and complete. The soap trade of co-operative societies which might be supplied from Irlam was said to be 400 tons per week, and the confidence of the Committee was shown by the fact of the new manufactory having a capacity to produce three-quarters of this total amount. In Mr. J. E. Green, the manager of the Durham works, the Committee had an equal faith as being the right man for Irlam also, and the task of enlisting the co-operative public in the defence of its own interests by the merits of Irlam soap was now left to his chief care.

Six months later the Durham establishment was closed. The Northern delegates demurred to a co-operative industry going out of their district, and many inquiries and suggestions were made concerning the use of the old buildings. Jam making in the North just then was in some favour, and there was a desire that a future manager of a future preserving works should be burdened with the old premises at Durham. The reply was made, all too prematurely, that the Committee already had decided upon placing a Northern jam works at West Hartlepool. So the Durham property was sold. Soap production thus was concentrated at Irlam. During the ten years until the end of 1905 the average weight sent out increased slowly from 72 to 265 tons weekly. Early in 1906 the rate of progress had become trivial, and the Committee appealed for co-operative support against the seductive coupon and bonus wrapper

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systems of private soap makers. But before the year was out they were to be in a very different position. On October 11th, 1906, it was announced that "a working arrangement" had been entered into by twenty great soap manufacturers, controlling a capital of £12,000,000. According to his own statement, made during his subsequent libel action against the *Daily Mail*, it was in July, 1905, that Sir William (then Mr. W. H.) Lever, proposed to certain soap makers that they should "exchange shares in each other's companies and so do away with jealousy and strife." The immediate recipients of the suggestion agreed, and were joined by other firms, until the "brotherhood of manufacturers" reached the number already named. The agreement, it was stated, was not to be against the public. Impelled by the increasing prices of raw materials and the costs of competitive advertising, the arrangement was made, said Sir William Lever, "with the view of avoiding the raising of prices to the public." But in this case the innocence of the soap makers' motives failed to find recognition. Whether concerned about the prospective loss of advertisements or not (and Sir William Lever said that his firm had spent £500,000 with the press of the United Kingdom), the public press, which had suffered the formations of other combinations in silence, now woke up. As Mr. Chiozza Money pointed out at the time, the economy of combination is in itself a social gain. Every successful trust demonstrates the possibility of less wasteful commercial methods. The trouble arises from such combinations being reserved to the possession of a few. Like a new machine, the good or ill of a monopoly depends upon whether it is owned by the public and worked in the public interest or is a private property. And since even soap makers are human, the press and the public refused to believe themselves safe in the hands of twenty soap firms united in controlling the main soap trade of the country. The volume of the outcry may be gauged by a reference to the pages of *Punch* during the months of October and November, 1906. Cartoons, satirical verses, and comic dialogues—all were directed against the "soap trust." One well-known soap became "Lever's loathed lather," and a future "Earl of Sunlight" was pictured, a grandson of "the first earl," grown fabulously rich since a corner in soap, and in 1966 bent upon circumventing the only man in London society who preferred to go dirty rather than pay his price. And when, in consequence of the raging and tearing campaign of the newspapers, the dissolution of the working arrangement was

The "Soap Trust," the Press, and the C.W.S.

announced on November 23rd, 1906, *Punch* duly printed a satirical epitaph:—

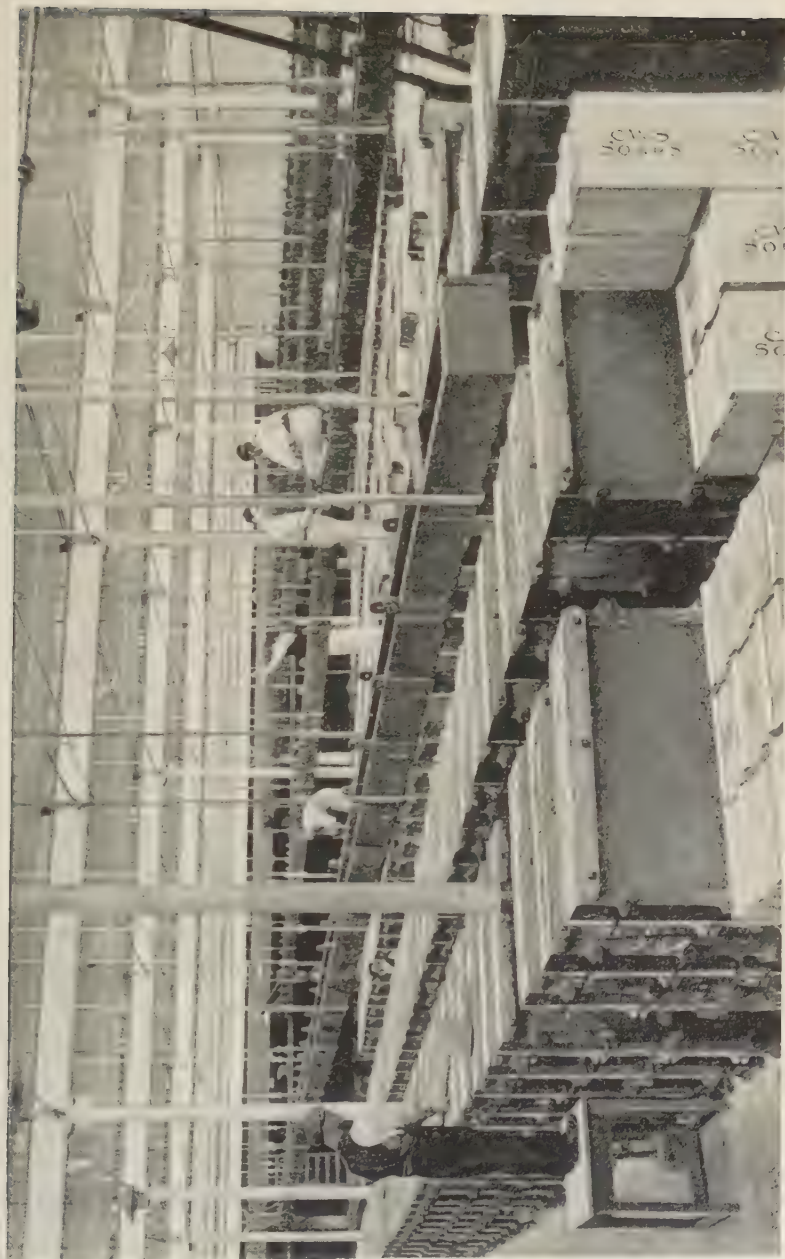
Stranger, please drop a tear upon the dust
Of one that did spontaneously bust;
Had I lived on they would have killed me dead,
So I committed suicide instead.

No doubt the general press attack upon the "soap trust" was grossly overdone; but co-operators could not grumble when unreflecting members for once were aroused to the possible public dangers of private combination. And certainly there was a great awakening. A demand for C.W.S. soap arose hitherto unheard of. The Irlam works ran every available machine night and day, and then could hardly meet it. The maximum weekly output jumped to 660 tons, while the annual value of the supplies rose from £317,344 for 1906 to £522,014 for 1907. "This diversion of the soap trade from ordinary channels," said the *Grocer* in March, 1907, "will be regretted by all interested in the success of private enterprise; . . . the soap manufacturers concerned will find it difficult to recover the trade they have lost and which the Co-operative Wholesale Society has gained." That the C.W.S. Committee shared the latter opinion was shown in December, 1906, when they announced their intention of erecting two supplementary works. One of these was to be in the London and one in the Newcastle area. The first was built on the Silvertown site near to the flour mill, and it began soap boiling on May 18th, 1908, the official opening following at the end of June. Owing to the peace and retrenchment discharges at Woolwich Arsenal just across the river there was much unemployment in the district at the time, which the introduction of the soap works did its little toward mitigating. A year later the Silvertown Soap Works, under the immediate management of Mr. Cowburn, was producing 110 tons weekly. In the Newcastle area, meanwhile, a Dunston Soap Works had arisen, abundantly to compensate for the loss of Durham twelve years earlier. This works it had been hoped to build in connection with the group already existing at Pelaw, for at Dunston less than an acre of C.W.S. land was to spare, but eventually it became necessary to fall back upon the cramped but otherwise admirable Dunston site. Its difficulties, however, were surmounted with great skill, and an unusually attractive works building was the result. During the last six months of 1912 the average soap supply from Dunston, which has Mr. R. Brodrick for its immediate head, was 106 tons

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weekly. All the three works are under the senior supervision of Mr. Green, who is at once an "F.I.C." and an "F.C.S.," a business manager, and a popular chief. In 1911 the hours of the normal working week at the three factories were reduced to 48. While the general body of workers naturally benefited, certain others, being paid by the hour, stood to lose slightly during weeks when no overtime was worked, despite an advance of from 6d. to 7½d. per hour. At Dunston this issue became sufficiently acute to be referred to the Joint Committee of Trade Unionists and Co-operators. In issuing its report this committee first expressed "its appreciation of the action of the Co-operative Wholesale Society Limited in reducing the hours of labour to 48 per week;" and then recommended a further concession to the appellants, a concession duly effected.

We have not yet finished with C.W.S. soap, but before coming to the most recent large episode in its history, we must stay to notice other developments in connection with the main centre. Candle making, originally undertaken for a brief period at Durham, was recommenced at Irlam in 1896. This was on the initiative of the Ashington Equitable Society, in Northumberland, "owing to the large consumption of candles by the members of the Co-operative Wholesale Society"—who, be it said, were not necessarily Eskimos! To make a modern self-snuffing candle is by no means a simple business, for, as a *Wheat-sheaf* writer has demonstrated, "a candle is a much more wonderful thing than a lamp." At the end of 1912 the Irlam works was producing 75 tons of candles, night lights, and tapers every week. Some ten years after the commencement of this C.W.S. industry separate factories for making starch and for refining lard were added to the Irlam group, and since then have worked successfully. Washing blue is another manufacture which is in course of organisation. The total ground area under cover at Irlam has thus grown from three acres in 1895 to eight acres in 1912. The C.W.S. Soap Works also possess in the Sydney Oil and Tallow Factory a sort of outlying department, on the other side of the globe. In 1897, following the visit to Australasia of a C.W.S. deputation, a permanent C.W.S. representative was placed in Sydney, and as a sequel to the direct purchasing so begun a small factory for receiving, refining, and exporting cocoanut oil and tallow was purchased at the end of April, 1901; Fiji subsequently being explored by the C.W.S. Sydney representative in the quest of copra. A full supply of raw materials is essential to successful soap making, and no vegetable oil-producing country is, in 1913, escaping the survey of the Society.



THE FRAME ROOM AT THE C.W.S. SILVERTOWN SOAP WORKS.



THE C.W.S. PELAW DRUG AND SUNDRIES WORKS: AN INTERIOR VIEW.

Soap Makers' New Efforts.

Having touched upon the libel action of Messrs. Lever Brothers against the *Daily Mail* and other journals owned by Lord Northcliffe's multiple newspaper company, we may remind ourselves in passing that about the time of the combination movement the firm reduced the size of their 16-ounce soap bars to 15 ounces, and the action centred mainly upon this procedure and the motives freely alleged for it. The famous settlement by which the Associated Newspapers Limited paid over £50,000 damages and costs to Messrs. Lever (and, as stated by a *Times* correspondent, subsequently forfeited a similar sum to Messrs. Watson) was arrived at on July 17th, 1907. In his evidence Sir William Lever said that his firm had been "shaken to its foundation" and had suffered incalculable loss. Restored to respect and congratulated by a press and public that previously had joined in the hunt, this and other firms naturally put forth unusual efforts to regain the lost trade. But although the profuse advertising and house-to-house canvassing was no doubt solely in trade interests, incidentally it meant a weakening of new recruits in their practical allegiance to the fundamental co-operative idea of democratic self-supply. Hence, since virtually every stores' customer was directly interested in the three soap works, and since the combination of all was necessary to the benefit of each, it was still more natural that the C.W.S. and the committees and officials of societies should recall the weaker brethren to the logic of their position. The co-operative soap trade, said the C.W.S. Committee in 1909, amounted to 800 tons weekly. This was not more but less than the united works had the capacity to supply, yet the share of the latter had fallen to an average of 500 tons. Conferences were held and forces rallied. Four hundred societies enthusiastically had resolved to stock only C.W.S. soaps, and now this number increased. Such action naturally resulted in a discontinuance of orders from co-operative societies to private makers, and Messrs. Lever Brothers, being affected, took the view that (to quote Sir William Lever's words in the witness box) while co-operators may "gradually make a trade, they cannot cut off brands of soap which the public have used with a cut of the knife."

Not considering that historic form of conversion which is collective rather than individual, Sir William Lever read into the action of societies a wholesale and (to quote the words of his counsel) "deliberate attempt on the part of the co-operative societies to defraud and deprive Messrs. Lever of their business." During the summer of 1910, therefore, he arranged a number of trap orders

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upon co-operative societies from "new members." Junior employees of the firm were sent with grocery orders, which, in apparent innocence, included the Lever soaps, to societies, some of which, at least, already had posted and advertised the fact of selling C.W.S. soaps only. The salesmen supplied the nearest C.W.S. articles, but in some cases, presumably, without thinking it necessary to explain matters individually to the youth and to get his expressed consent. Upon this slender basis, on August 5th, 1910, without warning or notice, Messrs. Lever caused writs to be served upon twenty-two societies, including the Masbro' Equitable Pioneers' Society Limited, of Masbro', near Sheffield; and on the same day the legally separate company of Benjamin Brooke and Co. Limited issued writs against sixteen of the same societies. The latter company, however, was also a business of Messrs. Levers, the original American company having been bought for half a million sterling by the English firm. The claim against the defendants in each of the thirty-eight actions was for an injunction, the nature of which best may be set forth in legal language. It was to restrain the defendants from passing off or attempting to pass off any soap not manufactured by the plaintiffs as and for the soap of the plaintiffs, and from selling or offering for sale any soap (not of the plaintiffs' manufacture) under a description calculated to represent that such soap was the soap of the plaintiffs; and the plaintiffs also claimed damages, or, alternatively, an account of profits and costs. Immediately after the receipt of the writs the C.W.S. Committee, on August 10th, issued a circular informing all retail societies of the necessity that salesmen should not supply C.W.S. soaps in place of others specifically ordered without the purchasers' individual knowledge and approval—although at Masbro', and probably in every other case, such instructions previously had been given. Also, to cover the difficulty of written orders brought in by children or otherwise, slips were printed for affixing to the orders. The C.W.S. Committee also endeavoured to satisfy the plaintiffs in other ways; but the conditions demanded by the latter were impossible, and there was nothing for it but to let the issue go into court. The C.W.S. undertook the defence of all the thirty-eight actions; but it was not until December that they received particulars of the purchases, and by then it was, of course, impossible either to verify satisfactorily or dispute the transactions.

The Masbro' case, as the first on the list, came before Mr. Justice Joyce in the Chancery Court as late as October 18th, 1911. In form there were two actions, that of Lever and Company and that

The Action against Societies.

of Brooke and Company: but this was in form only. Although the claim as on the writs was for "passing off" a soap not made by the plaintiffs for a soap made by the plaintiffs, yet, on the hearing, this was not seriously contended. Instead, it was alleged that the defendants wrongfully "substituted" C.W.S. "Soap Flakes" and C.W.S. "Parrot Brand" in response to orders for "Lux" and "Monkey Brand" respectively; and the plaintiffs endeavoured to support this contention by allegations of a deliberate attempt on the part of the co-operative societies throughout the country to defraud and deprive Messrs. Lever of their business. The hearing occupied nine days, exclusive of the delivery of the judgment; and the verbatim report of the trial filled over five hundred large pages. In journalistic language, it ran to a quarter of a million words. Much of this matter is distinctly humorous reading. The plaintiffs' counsel were bent upon proving much more than their actual case, and issues were introduced against which the Judge protested frequently. He had a lively way with irrelevancies, as in this passage on the opening day:—

Counsel: I am going to prove it from their own acts.

The Judge: You are not; you are not going to prove it before me.

Counsel: I am going to offer proof from their own documents.

The Judge: There is not a word about it in the pleadings. I will not argue it with you.

Counsel: There are a great many things in the way of history that are not pleaded.

The Judge: Do confine yourself to the case, if you please.

In another instance the Judge's patience had been burdened by the plaintiffs' counsel reading at length circulars issued from the C.W.S. to societies, proving nothing except diligence in co-operative business. At last the Judge broke in with, "Reading this to me is a perfect waste of time, and throwing away time and money. . . . You admit they have a perfect right to stop selling other people's soaps and push their own?" But in spite of renewed protests counsel persisted in reading from the C.W.S. printed quarterly reports, which, of course, had no business to be in other than co-operative hands at all. Hence the Judge—

The Judge: What are you doing this for? No one wants it. You ought to be made to pay the costs of all this for attempting to put in such evidence, whatever the result of the action may be. It is perfectly obvious their interest is to sell their soaps.

Counsel: It is put in for the purpose——

The Judge: It is put in for some purpose, but what I cannot conceive, except to waste time.

The Story of the C.W.S.

Counsel: The only object of putting it in is this, that it accentuates what we suggest is the true reason.

The Judge: Then do not accentuate it.

Counsel: We think it is important to our interests to do so.

The Judge: Very well. It is not in your interest with me to do it. It is waste of time. It is a long way from the point in question in the case, if there be a point.

A long argument ensued one day as to whether certain witnesses should be in or out of court. Under pressure from plaintiffs' counsel all except one or two were excluded. But (as the Judge had pointed out) there was no room available in which to keep them together, and the next day they had to be readmitted. However, the underlying purpose of it all was serious enough. At the commencement Mr. T. R. Hughes, K.C. (who, with Mr. A. J. Walter, K.C., and Mr. E. Radford, was acting for the defence) offered an undertaking to guard against any stores customer being supplied with C.W.S. soaps in place of Messrs. Lever's without his or her knowledge and consent, and to "advertise in the fullest possible manner to all our members and customers that we do not stock either 'Lux' or 'Monkey Brand,' or any of Messrs. Lever's goods." But this was not at all to the taste of the plaintiffs. They demanded an admission of previous wrongdoing, and an agreement to pay the heavy costs of the actions—in other words, the co-operators to bind themselves into subjection. The question was put in court to Sir William Lever: "Will it satisfy you if we advertise in all the shops of the different co-operative societies that we do not stock any of your soaps at all, and do not sell them under any circumstances?" And the reply came: "No; nothing will satisfy me until no substitution takes place." Then, further, as to how "substitution" was to be avoided: "In your view the only possible course is to stock your soaps, you think?" and promptly came the acceptance: "I do; the only possible course is to give the article the public ask for." "I have to spend large sums in advertising," he added a little later, in excuse of his claim, "and it is impossible for me to do business under this system they have adopted of sending circulars out and substitution going on." It is interesting to notice, although it is by the way, that so prominent a capitalist professed (in the witness box) to understand the constitution of the C.W.S., "perhaps as much as it is possible for an outsider," but when Mr. Hughes pointed out that the whole co-operative business was done "for the benefit of their own members," he replied quickly, "Surely there is no difference between members and shareholders, is there?" The inability to

The Action Fails.

distinguish between the economic systems of capitalism and co-operation must be very common in the commercial world.

However, let us pass to the judgment. It was delivered by Mr. Justice Joyce on the 13th of December, about five weeks after the conclusion of the hearing. This was really a contest, said the Judge, "between Messrs. Lever and Co. and the C.W.S." It was not a passing off action in the ordinary sense. There was "no allegation of direct or other misrepresentation or counterfeiting in anywise the goods of the plaintiffs. . . . There were no patent rights in question. . . . There has been no imitation of marks or complaint of similarity in title or get-up." The defendants had given proper instructions and, "upon the evidence I hold that these instructions were given *bona-fide*, and were intended to be carried out, and generally at least, if not always, were in fact observed." The Judge found evidence of this in the small sales by the Masbro' Society of "Lux" and "Monkey Brand" before the "C.W.S. Soap Flakes" and the "C.W.S. Parrot Soap" were stocked; and in the fact that "not a single customer or purchaser has been found to complain . . . or to allege that there has been any deception in any instance." After commenting upon the natural preference of "the regular customers, if they were made to understand," for soap "in the sale of which they were themselves interested, inasmuch as they shared the profits," and after dealing with the unfairness of the plaintiffs' handling of the trap orders, the Judge continued:—

The evidence of Sir William Lever, not himself probably an unfair-minded man, although, no doubt, keen in business, was really (I hope he will forgive me for saying so) rather entertaining. He asserts that in the hurry of business, with a crowd of customers waiting, say, on a busy Saturday evening, it would be physically impossible for the shopman to give sufficient verbal explanations when "Lux" or "Monkey Brand" was asked for. The inference stated, or intended to be deduced, was that the defendants, unless they stock and sell "Lux" and "Monkey Brand" must from time to time occasionally, by some of their numerous servants, commit a fraud upon the plaintiffs, Sir William Lever and Company, and, therefore, that the plaintiffs are entitled to an injunction which will directly compel the defendants to take soap from Lever and Company and to sell such soap in their shops. That, in my opinion, is the real ground of offence the plaintiffs entertain against the defendants, namely, that the co-operative societies will make and sell their own soap and other goods without dealing with the plaintiffs or private makers.

Finally, after referring to the undertaking which had been offered, Mr. Justice Joyce concluded that "there has not been any actual fraud nor any intention to deceive on the part of the defendants."

The Story of the C.W.S.

There has been no stealing or appropriation of the benefit of the plaintiffs' reputation or expenditure in advertisements. On the contrary, what the defendants say to their customers is: Do not ask for "Lux" or "Monkey Brand," but buy our C.W.S. "Flakes" or "Parrot Brand" instead. If anything wrong has been done it has been accidental or inadvertent. . . . Although, no doubt, the defendants are legally responsible for the misconduct of any of their servants, having regard to the unfair manner in which the defendants were treated with respect to the trap orders, and considering also the enormous expense occasioned by the course which was taken by the plaintiffs at the trial, and their conduct of the actions generally, I decline to order the defendants to pay any part of the costs of the plaintiffs. I am not sure that the plaintiffs ought not to be ordered to pay the costs, or part of the costs, of this most inordinately and unnecessarily protracted trial.

Leave to appeal was given, and appeal was made by Messrs. Lever. The appeal occupied the days February 29th to March 2nd, 1912. The Master of the Rolls, Lord Justice Fletcher Moulton, and Lord Justice Buckley heard the case, in which Mr. T. R. Hughes, K.C., again led the defence, and Sir Robert Finlay, K.C., M.P. (in place of Mr. Astbury, K.C., engaged elsewhere), was leading counsel for the plaintiffs. The latter again asked that the undertaking already given by the Masbro' Co-operative Society should be transformed into an injunction with costs. The evidence and proceedings of the lower court were argued by plaintiffs' counsel in the light—or darkness—of decided law cases; and the original claim to protection from "substitution" (a term which the Master of the Rolls said he had never heard before) was advanced, and subjected to comments not less caustic than those of the court below. Following this, without troubling the defence, the Master of the Rolls gave judgment. He characterised it as "a remarkable case"; and after citing legal reasons why the refusal of the lower court to grant costs to the plaintiffs should be upheld, he, therefore, not only dismissed the appeal with costs but added a supplementary statement. In the course of it he said:

The action seems to me to be framed on the idea that the plaintiffs have an interest in every order given to the defendants for "Lux," although the purchaser, when he receives "Flakes," is in no way deceived, and is content to get what has been sold to him by the defendants as being the nearest article they keep in stock. I think that is a mistaken view of the matter. . . . I regard this action as an attempt by the plaintiffs to compel the defendants to stock their soaps or to abstain from selling their own soaps. Sir William Lever frankly asserts that it is impossible for the defendants, in the hurry of business, to avoid supplying their own soaps without proper explanation to the purchasers who have asked for the plaintiffs' article. This, in my opinion, is a somewhat audacious claim to a monopoly, without warranty in law.

"A Somewhat Audacious Claim."

The plaintiffs, he added, had "obtained at least as much as, and I think more than, they were legally entitled to." In other words, the C.W.S. might have obtained their costs. Lord Justice Fletcher Moulton concurred that "the Judge treated the plaintiffs very leniently when he said that neither side should have costs." Lord Justice Buckley began his judgment with the statement: "This action was an attempt to establish a new monopoly;" and after touching upon the "extraordinary proposition" arising from Sir William Lever's evidence, and re-stating the points of judgment, he concluded with the opinion, "the learned Judge did not only what he was entitled to do, but a good deal less than he was entitled to do, in disposing of this action."

So ended the war. The remaining thirty-six cases fell with the appeal. All of them were withdrawn, on terms satisfactory to the victors. Shelley told the masses, in their issue with their rulers after Peterloo, to

Let the laws of your own land,
Good or ill, between you stand.

Trade unionists, in recent historic instances, have complained of the laws being interpreted against the workman's sense of justice. Co-operators in this, the largest and most daring attack upon their liberty, had no reason to complain either of the law or its administrators. And the fact that the co-operative store movement, although a working-class institution of which Lords Justices were not likely to have experience, yet withstood so successfully the horse, foot, and artillery of a vastly rich, powerful, and recently triumphant litigant, was no mean evidence of the strength of the co-operators' citadel, the C.W.S. Some share in the result, also, is to be credited to the long and intimate connection between the Wholesale Society and its Manchester solicitors, Messrs. Tatham, Worthington, and Co., originally Messrs. Darbshire, Tatham, and Worthington. Important as the matter was to co-operators, however, it received no large attention from the general press. The tall headlines, the editorials, and the sketches in court which made the big libel action known, were all absent. No doubt the latter deserved space because of the publicity of the original libel, yet it resolved itself into a quarrel between two private parties, and ended with a decision as to damages. The "somewhat audacious claim to a monopoly," on the other hand, directly affected the entire co-operative movement, with its thousands of stores and millions of customers and its

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public ideas and principles. Indeed, the "attempt to establish a new monopoly" affected every daily user of soap. But the newspapers considered it sufficient to print paragraphs for which one had to search.

Emboldened by this victory the C.W.S. took a step which had long been urged upon them. Societies which were stocking only C.W.S. soaps naturally asked that the Wholesale Society should itself decline to invoice to other societies the wares of private soap makers. This, however, was a more difficult matter. The retail societies which had taken the forward step were those which, having felt their way, knew they could rely upon the loyalty of their members. The C.W.S., attempting to bring the remaining societies into line, could not be quite so sure of its ground. Nevertheless, the step was taken. As to its ultimate results, however, it is yet too early to speak.

A brief history of two or three more C.W.S. works conveniently may be added to complete this chapter. In June, 1896, the Committee obtained authority to commence the manufacture of tobacco and cigars. The scruples which had caused the early postponement of the idea now were voiced only by one delegate, Dr. Drysdale, of Norwood. He asked if co-operators would go on from "encouraging people to poison themselves" to begin the manufacture of gin. "Yes," replied Mr. George Hawkins, jocularly, "if the members should bring sufficient pressure to bear in that direction." In the North the delegates were willing, but the Cramlington Society obtained a big majority in favour of a tobacco factory being in Newcastle. This was an old point with the Cramlington co-operators, who, in 1893, had secured a branch and divisional vote of 289 to 183 in favour of a Newcastle factory; but Mr. Tweddell, speaking for the North, then had yielded the victory in deference to "a large preponderance of opinion in Manchester against it."

In 1896, under the new chairman, there was at Manchester very little objection to the C.W.S. entering the business. One delegate was anxious that the existing wholesale tobacco manufactory of the Rochdale Pioneers' Society should not be injured. "We do not propose to interfere with anybody in trade, but look after our own business," replied Mr. Shillito. In March, 1898, the Committee announced the purchase of "a substantially-built factory" and 2,353 square yards of freehold land for £6,500. The location of the property was in Sharp Street, near the once notorious street of



DUNSTON-ON-TYNE FROM THE RIVER, SHOWING (ON THE RIGHT) FLOUR MILL,
SILOS, AND JETTY WITH STEAMER ALONGSIDE, AND (ON THE LEFT)
PART OF THE SOAP WORKS.



AFTER THE FIRE AT THE C.W.S. DRAPERY WAREHOUSE,
WATERLOO STREET, NEWCASTLE, APRIL 25TH, 1902.



BALLOON STREET, MANCHESTER: AN INTERIOR VIEW OF THE DRAPERY WAREHOUSE.

At the Tobacco Factory.

common lodging-houses known as Charter Street, in Angel Meadow, which is off Rochdale Road, rather less than ten minutes' walk from Balloon Street. By the following May the factory, under its present popular manager, Mr. Cragg, was at work and showing samples at the Peterborough Congress exhibition. In 1902 a writer in the *Wheatsheaf* described the business, and said:—

The factory with which we are to deal holds the record among all C.W.S. enterprises for rapid development and progress. Started four years ago last May, it has outstripped all other C.W.S. factories in the enormous strides it has taken each year. That a yearly trade of almost £300,000 should be reached by one factory in four years, in a new branch of production, is the most pleasing and striking testimony that can be offered as to the character of the output and the ability of the management.

The £300,000 was half as much again as the total tobacco trade of the C.W.S. in 1896. Writing of the Angel Meadow district, the *Wheatsheaf* account of 1902 continued:—

The tobacco factory is in it—not of it. The workers come from other and better-class districts. It is pleasing to know that the scene of their labours has roused a sympathetic desire in the hearts of all of them to do a little to better the state of things round about them. Some entertainments have been given by the employees for the children and adults in the neighbourhood, and open-air concerts on summer evenings are likely to be arranged for the present season.

Eight years later, in 1910, a second account of the factory appeared in the *Wheatsheaf*. The writer of this article was able to note many changes since 1902:—

The district of Sharp Street, in which the factory stands, has itself changed. The city corporation has been at work shutting up the oldest courts, condemning the worst buildings, pulling down and rebuilding. It may be said that the alterations have not remedied the destitution of which the district was the home; that simply the aspect has been changed. But this would be an extreme view. At any rate, the sun has now a better chance to shine upon Angel Meadow, Manchester.

The factory also has altered. It has, in fact, almost doubled itself. . . . Where the total floor space was then 5,672 square yards it is now 10,125 square yards. The fact that in 1909 the trade reached £621,000, as compared with £284,118 for the fifty-three weeks of 1901, easily explains these extensions. This progress is not comforting for a member of the Anti-Narcotic League, unless he should be a co-operator, in which case there is a consolation in the conquest of the co-operative tobacco trade by the C.W.S.

Except that the smoker's fancy has veered more decidedly in favour of flake tobaccos, and that the warfare of trusts has cut down profits, while the demands of the tax gatherer have raised prices, there has been little change in the business, apart from its growth.

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The little change, apart from growth, has continued to the present day, making it a light task to record the short, simple, and, in regard to its social and co-operative spirit, certainly cheerful annals of the tobacco factory.

The objection to the selling of the Durham works, and the desire for a district factory in an industry where the relatively light cost of carriage makes centralisation preferable, showed the co-operators of the North as being keen upon localising C.W.S. production. This feeling becoming known outside co-operative circles had effect upon at least one firm engaged in trade with Northern societies. In 1895, upon this ground, Messrs. Thomas Furness and Company, of West Hartlepool, offered their lard refinery and egg-pickling plant to the C.W.S. The offer was announced in December as agreed to, subject to the sanction of the delegates. The factory (built in 1883), stores, tanks, railway sidings, &c., were to be purchased for £17,500, the ground, open and built upon, totalling 5,800 square yards, all freehold. Thus the present West Hartlepool Lard Refinery came to the C.W.S. The egg department was discontinued in 1904, and the business has since remained one of lard refining only. It has yielded fluctuating profits, affected by changing American influences upon pigs as a commodity. The supplies in 1912 reached the value of £127,460, with profits of £4,595.

At Hartlepool it was rather vainly hoped to create a variety of industries—jam making, sweet boiling, and so on. But a step towards a general productive centre in the county of Durham on the model of the Scottish Wholesale Society's group at Shieldhall, Glasgow, was taken in 1898. Towards the end of 1896 a drug and drysaltery business had been commenced at the C.W.S. Newcastle premises, and steadily had developed under the energetic attentions of Mr. R. A. Wallis. For this, and for other productive activities which the Newcastle Branch was cultivating, separate factories away from the city quickly became necessary. After a year and a half of negotiation with the Ecclesiastical Commissioners, who, if hard bargainers, had the business merit of naming their conditions and sticking to them, the then almost separate Newcastle Committee, with the approval of the General Committee at Manchester, agreed to the Commissioners' terms. Since the latter body would sell land outright only for religious uses, the C.W.S. Newcastle directors decided to lease $3\frac{3}{4}$ acres of ground at Pelaw for 999 years at an annual charge of 2d. per square yard. Many delegates

Developments at Pelaw.

did not like the transaction, and commented upon it unfavourably. At Newcastle, however, they were consoled with the prophecy that "before twenty years are over leasehold land will not be existing in this country." Here was built the range of factories which now stand in line on rising ground, as if drawn up for inspection, along the main road from Newcastle to South Shields. Immediately behind them runs the railway from Newcastle to Sunderland and to South Shields, with the station of Pelaw Junction adjacent. The drug, drysaltery, and grocery packing factory occupies over two acres, and a cabinet and a clothing factory, an engineering department, and a printing works effectively continue the line of buildings; and a general dining-room completes the premises. Work at the drug factory began in May, 1902, but the visits of inspection which took the place of a formal opening of the factories were deferred until January, 1903.

On the whole, considering the difference between the two systems of business, the C.W.S. has enjoyed a career remarkably free from absolute collision with private enterprises. This is due, no doubt, to the defensive policy with which the Wholesale Society has been generally content. To go steadily along its own way and never to be tempted from the settled course by aggressive impulses usually has been its sound, if unexciting, principle. Such battles as it has fought have been for the most part accepted simply as the alternative to turning back upon or abandoning its proper road. In this manner the soap quarrel was thrust upon the federation, and, earlier still, in 1906, the development of the Pelaw drug trade led to a conflict not of the Society's own seeking. Most people will remember how the establishment of "cash chemists," working through multiple shops, resulted some twenty or thirty years ago in a cutting down of old-fashioned prices. In consequence of this tendency the wholesale druggists took action to preserve their own and the retailers' profits, and at some time subsequently a Proprietary Articles Traders' Association was formed in the interests of patent medicines and preparations. The trade settled down again, and co-operative societies, having little concern with this business, accepted the arrangements established and were let alone. But the extension of the store movement to cover the selling of drugs did not cease, and by 1906 it had become considerable. Then it was that the Proprietary Articles Traders' Association (P.A.T.A. for short) opened an attack. The payment of dividend on purchases, it contended, was equivalent to price-cutting, was a violation of the

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conditions of sale, and could not be sanctioned by the associated manufacturers. "Not long ago," replied Mr. Tweddell, speaking to a meeting of Northern societies' buyers, "it was the boast of private traders that goods were overcharged to pay dividends; now it is admitted that dividend is a reduction in price." Now the dividend on purchases, the consumers' saving, may be paid to individuals or used collectively, but under some form or other it is as proper to a consumers' movement as better wages are to a successful trade union movement; indeed, it is more so, being a certainty of effective combination, and if it were not paid equitably to the purchasers and used by them in common, it could only be paid inequitably to capital in the manner of some early and unsuccessful societies of about 1830. Hence to any demand for the withholding of dividend there could be only one reply. And, emboldened by the possession of the Pelaw Drug Works, the C.W.S. answered the ultimatum by a counter-movement. When some of the associated manufacturers refused supplies the Pelaw works undertook to make up or provide C.W.S. preparations; and accounts were closed with the manufacturers concerned.

This bold course produced one, but only one, legal action. There is a patent medicine known as Iron-Ox Tablets. The name suggests some combination of beef extract and steel tonic, but the preparation was described in court as "a laxative pill." In place of this the Pelaw works had obtained from a manufacturing druggist and packed a "Compound Iron-Oxide Tablet." The proprietors of Iron-Ox took action to obtain an injunction, and the case was heard in the Chancery Court before Mr. Justice Parker on May 7th and 8th, 1907. The defence was that a demand existed for iron-oxide as a drug, and the name of "Iron-Oxide" enabled these tablets to meet the demand; moreover, private chemists gave evidence for the defence that other iron-oxide tablets were largely sold. The plaintiffs met this by stating that their pill contained no iron-oxide at all, "Iron-Ox" being an invented name. They produced proof that between May, 1902, and March, 1907, £88,430 had been spent in advertising their manufacture, and the selling of "Iron-Oxide Tablets" was harmful to them. In giving judgment on May 9th the Judge took the view that the public in asking for "Iron-Ox" did not expect to receive any form of iron-oxide. And, considering the name "Iron-Oxide Tablets" to have been chosen for competitive rather than descriptive purposes, he granted an injunction, although "having regard to the fact that iron-oxide

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is used, the injunction ought to be somewhat more limited than that asked for."

The C.W.S., of course, submitted. Against Iron-Ox. in particular, we have no prejudice; no doubt it is what its proprietors claim it to be. But that way lies the class of secret remedies comprehensively named for us as "Tono-Bungay," and, if it meant a check upon any possible excursions toward this region, the decision was no misfortune. Secure of a main foundation upon the rock of supplying common necessities under plain designations, the Wholesale Society, happily, has little to gain from any close association with secret compounds and mystery packets. And in the battle with the P.A.T.A. those curative preparations under invented names to which their advertisers have the sole right (and are welcome) ceased to become a chief point of contest. Some manufacturers in favour with co-operators found it profitable to reopen accounts. A few others still stand out with little loss to either side. During the six years since 1906 the real contest has been over articles of a more normal character. In some cases, as in the instance of cod liver oil emulsion, victory has rested handsomely with the C.W.S. On the other hand, preparations like invalids' or infants' foods, deriving goodwill from doctors' or nurses' recommendations, have proved sterner competitors.

Apart from this side of its activities the Pelaw Drug and Drysaltery Works has seen several developments. A business in "Pelaw" Polish has grown to one of millions of tins annually, and the grocery packing and sundries manufacturing has been extended to its fullest limits. The breezes that blow over Pelaw from the North Sea only six miles away are said to be of the "kill or cure" quality and may account for the energy of its development. Of the other Pelaw factories some word will be found in other chapters.

CHAPTER XXIII.

PRODUCING FOR WEAR AND FOR USE.

The "Ages" of Co-operative Drapery Stores—From Store to Warehouse—Details in Developing Co-operative Trade—Warehouse to Factory—A Committee in Quest of Land—The Broughton Factories—Cabinet Makers against Joiners, and the C.W.S. to Pay—Tailors and the C.W.S.—Leeds Ready-mades, Broughton Shirts, Desboro' Corsets—Employment found for Weaving Sheds—A Flannel Mill Nursed back to Life—The Question of a Hosiery Factory—Under which Rule?—Hosiery Manufacture at Huthwaite—A Black December and a New Year of Retrieval—Years 1888-1913.

IN New Guinea, they say, the stone age still lingers; and if one could follow the footsteps of explorers to and fro, from Australia to Africa and Asia, all the subsequent periods of industrial and social history might be visited. So in the development of co-operative stores, especially of drapery stores; from the simplicity of 1848 to the last developments of 1913, all the phases somewhere are represented. Furthest Wales, Cornwall, or rural Ireland could provide examples of the primitive days; while at Bolton, Bradford, and elsewhere the co-operative drapery departments are in the first rank of modern drapers' shops. Many varieties lie between the two extremes, yet with a constant reaction of the forward upon the backward, so that with every year the early examples are in increasing danger. You may remember a co-operative drapery store whose appearance was, let us say, 1860, which, dating from the Pioneers' calico print selling, is the year 14 in the chronology of co-operative drapery. You revisit its locality ten or fifteen years later and find the department revolutionised. It is equal to any private shop in its town, and the erstwhile leading local draper desperately offers hints to you of his willingness to sell out to the stores.

In all the departments of "dry goods" (for what has been said of the drapery applies in varying degree to the boot and shoe and furnishing trades) the C.W.S. business necessarily has been elaborated along with, or in advance of, the retail stores. Earlier chapters of this book have described beginnings and developments at the chief warehousing centres, and at certain of the productive works. Full of the minor incidents common to any growing trade,

The Drapery Warehouses.

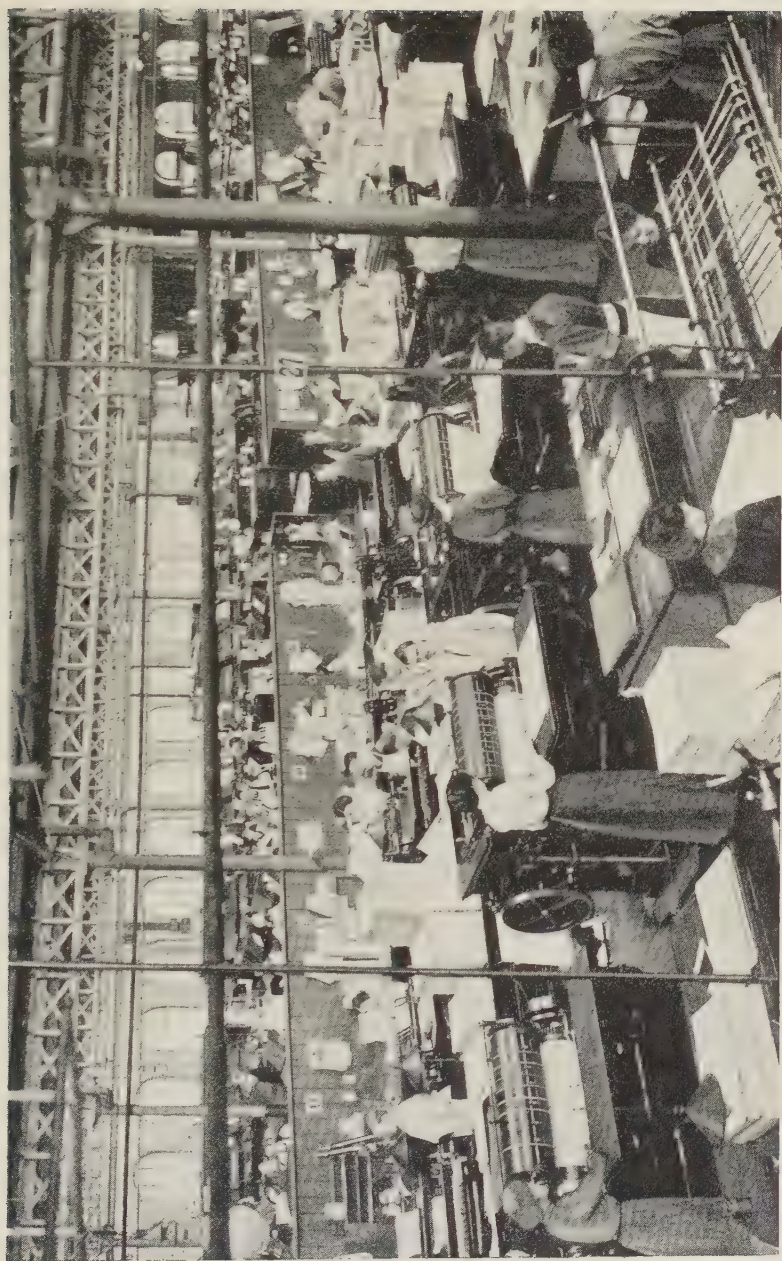
the history of the warehousing during the last twenty years or more has been almost void of remarkable events. The most stirring occasions have been the seasonal show days and sales, the openings of new premises, and at least one big fire. The latter was on the premises of the Newcastle drapery department at Thornton Street, Newcastle, in the early hours of Friday, April 25th, 1902. The fire broke out between two of the regular inspections of the watchman, and although confined by the closing of fireproof doors and by the shape of the building, during three or four hours it provided "a magnificent spectacle"—at a cost of £100,892. Of this sum £66,000 was taken from the C.W.S. own insurance fund and £34,000 came from various insurance companies. The result of the fire was the introduction of the sprinkler system of safeguard into all the C.W.S. warehouses. . . . So much, then, for the fire. The openings have been mainly two. On Monday, April 18th, 1904, the great block of buildings which the C.W.S. architect had designed and the C.W.S. building department erected at the corner of Balloon Street and the new Federation Street formally was opened. The block provided 100,000 square feet of floor space, at a cost of £50,000; nevertheless, it has become too small, and at the moment of writing the ground is being cleared a few yards higher up Balloon Street for another great pile of buildings. While each department of this branch of business has its own buyer, the C.W.S. drapery departments as a whole, together with the woollen and outfitted sections, are under the senior supervision of Mr. W. Gibson. The second opening was when the London Branch celebrated a great addition of breathing space for its drapery and allied departments on July 19th, 1910. No more to be eased by extensions at Bristol, Cardiff, and Northampton, the London departments by this extension received their own, and incidentally were able to restore their own to the quarterly meeting delegates, who had been crowded out of their assembly hall by its appropriation for special shows.

The seasonal displays have served to emphasise an ever-increasing variety of stocks and subsequent sub-division of departments. We fear that the homely Pioneers, with their objection to "bobby-dazzlers," would be ill at ease beside the flowery banks of millinery or amidst the riches of silks and furs at a C.W.S. drapery show. However complex and big the C.W.S. grocery trade may be, nothing is so completely in contrast with the Toad Lane store of 1844, or with Jumbo Farm and its surroundings, as the present-day departments for mantles, dress goods, furs, silks, laces, and trimmings on

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one hand, and, upon the other, the jewellery and similarly fine sections of the furnishing warehouses. And it is to be remembered that in reaching out to include the endless details of modern trade, the Wholesale Society itself has remained confined to the co-operative market and the co-operative demand, while in competition with those who may take their chance of supplying the whole world. These departments of "dry goods," therefore, have had to contend with disabilities hardly affecting the steadier and surer grocery trade. In the case of the latter, the co-operative system of demand preceding supply has made for economy. It makes for economy, also, in the selling of plain drapery. But as trade extends from this point other factors come more into play. Production becomes more speculative. It must reckon with times and with seasons. Fashions begin startlingly to affect values. The absence (as yet) of a strong co-operative demand from overseas prevents a balancing of a home trade by a foreign or colonial business. The fact of the support being almost entirely from the working class excludes all possibility of offering, say, in the well-to-do suburbs of the metropolis what is not suitable for industrial districts, and *vice versa*. In the furniture trade the costs of carriage militate against supplying all districts from one central factory, producing largely and therefore cheaply; whilst a relatively lower spending power in all the southern area of the country affords little inducement for a London or Bristol district factory. And the dependence upon workers who in seasons of slack trade and unemployment must cut down their purchases of furniture or new clothing (while other classes continue to spend money unconcerned) means that the departments can make their hay only while the sunshine is fairly brilliant.

In these branches of its business, the C.W.S., especially since the days of tentative dealings, has experienced comparatively little difficulty with manufacturers. Articles of drapery do not easily lend themselves to proprietary trading, fixed prices, and direct advertising; neither do a thousand and one things of utility which come under the heading of household or personal furniture. Whatever patented and regulated productions there are fall mainly within the latter class. In regard to these the C.W.S. is sometimes put in a difficult position. Some labour-saving or improved device is patented and advertised at a fixed price. The latter is usually all too generous to the retailer and maker. As the consumers' instrument the C.W.S. must give the consumer any relief that may be obtainable, and if a cheaper but possible infringing article finds its



THE C. W. S. LONGSIGHT PRINTING WORKS: AN INTERIOR VIEW.



THE C.W.S. BROUGHTON CARINET WORKS: THE SAW MILL.

Headway Against Difficulties.

way into the shops the Wholesale must not be indifferent to the demand. Meanwhile the substance and stability of the federation mark it out for attack in the case of reprisals. However, it must not be supposed that the minor difficulties experienced from time to time under this head have constituted a serious handicap either upon the warehousing or manufacturing of the Wholesale Society. More arduous has been the effort to extend production in the sweated trades. In shirt making, in some classes of corset making and shoe making, to some degree in tailoring, and especially in cabinet making, the C.W.S., with roomy buildings, fixed rates of depreciation, fair wages, and often a short working week, has been heavily weighted in competition with small factories or irregular workshops in low-wage centres, or with jobbers giving out materials to sweated homeworkers.

All this forms a summary of conditions operating during the growth of the wholesale departments, and also a necessary preface to the details of manufacturing that now follow. What has been said will perhaps illustrate the complex realities which in this area of operations have qualified and checked, but have not destroyed, the old ideal of co-operators supplying themselves at first cost, and employing their fellow-workers and themselves in the process, from start to finish. At the same time there is no apology, for the C.W.S. production of "dry goods" has a record not to be despised. Apart from the boot and shoe industry, in the clothing, textile, and furnishing trades it was represented at the close of 1912 by an annual output, roughly, of £900,000 sterling, and a regular employment of 5,400 workers.

Beginnings, of course, were humble. Before the days of Broughton or Pelaw furniture was bought "in the white" and polished on the premises, as is the case still in London; or a single cutter and a dozen machines would be employed, say, in shirt making. The history of the Broughton group commences with the former business. As far back as March 3rd, 1888, the Committee obtained permission for the manufacture of furniture. It is true that a Lancashire delegate found plenty of support for the view that "the business of the Wholesale had grown so large that it was impossible for the Committee to satisfactorily manage an extension," but the London and Newcastle meetings combined with the "ayes" at Manchester to carry the day. Then began a search for land. Crumpsall was discussed, but ruled out as too distant. A dozen sites were visited, but one alone seemed rightly placed.

The Story of the C.W.S.

This was at Knowsley Street, Cheetham, on the land of the Earl of Derby, a few minutes north-west of Balloon Street. Here the only bargain that could be made was to lease the ground for 999 years at 1s. per yard. A proposal to take 2,000 yards was made by the Committee in 1889, but, as it was known that the factory would have to compete with sweated labour, the delegates naturally objected to the price. The Committee tried again, advertised for land, visited and inspected, but were obliged to repeat the same proposal in 1890. Again, however, the delegates demurred. As the conditions of the lease required an expensive building, the Committee themselves had no great desire to go on, and the recommendation was withdrawn. The reward of patience came in 1891, when the executive found themselves in a position to advise the purchase of 8,717 square yards of freehold at Trafalgar Street, Broughton (little further distant than the Knowsley Street site) for £4,414. This proposal met with a unanimous welcome. Even if we include a complicated reckoning of compound interest on the C.W.S. money, the price paid was very much less than would have gone to Lord Derby in a long course of years for the tenancy of one-quarter of the area. A further and adjoining plot of 3,070 square yards at Broughton was bought in 1900 for £2,302. Ten minutes' walk from Balloon Street along the Bury New Road, the Trafalgar Street land lay just over the Salford borough boundary. Outside the hub of Lancashire few people realise how the city of Manchester and the royal borough of Salford form one community, although separately classed in regard to population and for all official purposes, and certainly most co-operators visiting the Broughton factories are unaware of these being beyond the limits of statistical "Manchester."

Here was erected the furniture factory. Speaking for the committee in charge of the furnishing department in June, 1889, Mr. Hind was reported as saying "they were not particularly anxious to go into this business. It was forced upon them by the nature of the remarks at Quarterly Meetings and the work they had to do. He did not expect any very brilliant results." Financially, the factory produced losses until 1905. Since that date, under a new management designed to unify the productive and distributive activities, small profits have been realised. The Pelaw Cabinet Works, dating from 1903, has returned even less favourable figures. Yet, from the first, both enterprises (and Broughton especially) have paid depreciation and interest in excess of their losses, and

The Cabinet Factories.

both are being determinedly continued. During their entire working the factories claim to have produced honest furniture, free from the innumerable deceptions of the "garret masters" and the cheap and showy shops, and to have produced it under trade-union conditions. . . . As to what trade-union conditions were, it was, in one outstanding instance, difficult to decide. From before the year 1898 much friction existed between cabinet makers and the rather better-paid body of joiners, the dispute being as to whether shop-fitting belonged to the one trade or the other. During five or six years the C.W.S. did its best to keep outside the quarrel, asking the two organisations themselves to agree, when the Wholesale Society would fall into line. In March, 1903, the Manchester branch of the Amalgamated Society of Carpenters and Joiners more insistently urged that the C.W.S. should draw the line between cabinet makers' and joiners' work at Broughton. The reply again was to the effect that such differences should be settled by the unions themselves. Later, the matter being further pressed by the carpenters and joiners, the C.W.S. Committee agreed "to engage joiners to do future contracts for shop-fitting work." But in May the National Amalgamated Furnishing Trades Association declined to accept the C.W.S. decision, while in July the joiners complained that the C.W.S. was not carrying out its intention with sufficient speed. On July 20th an additional joiner was set at work in the shop-fitting department, whereupon some twenty-seven cabinet makers and machine operators went on strike. The differences between the two unions finally were resolved by the Parliamentary Committee of the Trades Union Congress, while Mr. J. C. Gray negotiated between the cabinet makers and the C.W.S. After ten weeks of loss to the Wholesale Society, through a dispute in which it had no direct interest, the return of the cabinet makers was accepted without prejudice to those workers. But in the following year, 1904, the shop-fitting was turned over to the C.W.S. building department. The Broughton Cabinet Works thus lost about one-half of its trade; therefore, under the new management of Mr. F. E. Howarth, other branches were introduced and vigorously pushed forward to fill the gap. These included chair making, upholstering, and bedding manufacture. Recently the work of down and wadded quilt making has also been added, and with equal success.

The second of the Broughton factories was that for tailoring. This industry first was housed over the Salford border in 1895.

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Before that date there had been one or two cutters and a few machinists employed upon bespoke work in rooms at Cable Street, adjacent to Balloon Street. This was in connection with the distributive department concerned. For a short period at Broughton the factory was under the supervision of Mr. Uttley, of Leeds; then the management again was combined with that of the Balloon Street woollens and ready-mades department under Mr. Gibson. At Broughton the output of the tailoring factory quickly jumped from a value of £7,561 for the first six months (1895) to £27,010 in 1897. New premises at the same address were opened, therefore, in 1897, and the management reported that "we have now the finest special clothing factory in Manchester." In 1901 the value of supplies was £40,180, and the average number of workers employed was 540. In 1899 the factory definitely was put under separate management, and Mr. Grierson was appointed. In 1912 the workers numbered 640, and the value of supplies amounted to £52,441, a fairly large increase, especially if taken in conjunction with a similar one at Leeds. Nevertheless, it may be admitted frankly that the C.W.S. tailoring factories have not by any means exhausted the co-operative possibilities of the great new "factory bespoke" trade.

A difficulty of all the clothing factories (and others besides) is, and has been, the seasonal nature of the demand. When orders that cannot be long delayed multiply during the six weeks between Easter and Whitsuntide to four times the normal it becomes impossible to secure the regular working which has ever been an ideal of co-operative production. Concerning this difficulty many reports were made and many joint meetings of productive and distributive heads were held. The factories asked for stock orders from the central warehouses during the slack seasons, while the warehouses urged the necessity of protecting themselves against overstocking or allowing cloth to be made up that later might sell better in the piece. . . . In an all-co-operative state the problem of seasonal trades could be solved with comparative ease. That duties go with rights is a truism, and under a system of general co-operation it would be both fair and practicable to encourage or insist upon a conscientious demand. People with money to spend certainly can be unjust and selfish in their spending; and, under the capitalist system, the consuming public which is shut out from any ownership of industry, at the same time is indulged in every whim and fancy. To serve the public is not to spoil the public, and co-operative

The Tailoring Factories.

stores and factories never have undertaken to satisfy demands that were not in reason. Yet at present they cannot afford entirely to ignore the competition of shopkeepers and manufacturers, who are altogether unconcerned about labour so long as a supply of that "commodity" is available whenever it pays them to employ it.

The lesser factory at Grove Street, E., which already has been alluded to, exists for the service of the department under Mr. Hay at the London Branch. Here the bespoke work began in a room over the stables, before it was transferred to the present building, which is separate, although adjacent to the Leman Street premises. . . . In addition to bespoke tailoring the Pelaw Clothing Factory specially makes pit clothing, and engineers' and shipbuilders' clothing. It is the grief of artistic souls that distinctive dresses have gone out of fashion. The countryman's smock disappeared long ago, and the Lancashire mill girls' picturesque shawls and substantial clattering clogs are threatened. The miner, in the comparatively new coalfields of Lancashire, Yorkshire, and the Midlands, goes to work in old clothes which, when his whole person is blackened by coal dust, do nothing to redeem the lost human dignity. But so strong is custom that in the older fields of the North-East the pit drawers of flannel kersey still remain.

In 1899 the Broughton Tailoring Factory had an experience which anticipated that of the Cabinet Works, in so far that, originally at any rate, the C.W.S. was only indirectly concerned. A dispute arose at Oldham in the May of that year between the members of the Amalgamated Society of Tailors and the two great distributive societies in Oldham. It turned upon technical points arising from changes in the trade. New machinery and new methods that met a demand for factory bespoke work at a price much below the old-fashioned cost of hand work throughout, meant an increasing employment of women workers. As representing the old order the tailors sought to counteract this effect. The Oldham Societies, their own workers being on strike, placed certain orders with the Broughton factory. In consequence of this, on the 16th of June, a small number of Broughton workers left work, without notice, leaving garments unfinished; and others joined them subsequently, until at length the strikers numbered three hundred. At the Quarterly Meeting of June 17th it was said that the workmen had sought an interview with the C.W.S. Committee "and were given to understand that they might as soon see the Emperor of China." "But you should understand what their demand was," replied Mr. Shillito.

The Story of the C.W.S.

Apparently they wanted the federation to break with its own rules by refusing to supply its own members—the Oldham Societies—and, said the C.W.S. chairman, “we could not discuss that question.” “There is,” he continued, “a proper co-operative and trade union court with officials elected apart from ourselves, and it is for the tailors to lay their grievance before that court.” Mr. Shillito referred to the Joint Committee of Trade Unionists and Co-operators, whose arbitration was agreed to in July. Meanwhile, attempts had been made to bring out the workers at the C.W.S. Ready-made Clothing Factory in Leeds, but the union of operatives interested in the newer order were unable to accept the tailors’ view; and a mass meeting of some three hundred C.W.S. Leeds women employees adopted a strongly-worded resolution against striking. Special grievances over and above the original cause of the Manchester dispute had been urged against the Broughton works in the latter stages of the dispute, and these were also considered by the joint committee. Their report, having decided the primary issue between the Oldham societies and their tailors, went on to meet the further Broughton grievances. It recommended that in a co-operative workshop “discipline and firmness should be accompanied by generosity and good feeling,” that as far as possible work should be equitably distributed throughout the factory, that overtime should be mutually regulated, and that work should not be given to “outside houses.” . . . One, but only one, other trouble has arisen in this C.W.S. industry since then. During 1908 a trade unionist employed at Broughton was refused leave of absence for trade union business. He therefore absented himself, and was discharged. Appeal was made to the joint committee, but, this being something different from a collective dispute, the C.W.S. Committee claimed a prior right of hearing. The case was hotly argued at the C.W.S. Quarterly Meetings of September, 1908, when, in defence of the action of the manager, Mr. Lander stated that during the nine months from the previous September to June leave of absence had been granted twenty-one times to the same employee. However, the Committee, while supporting the management, agreed to a reinstatement, and with this the discussion ended.

The Batley Woollen Mill and the Leeds Clothing Factory, whose beginnings were described in a previous chapter, of recent years have had little to report except steady working and unbroken if varying profits. Growth such as that at Leeds has filled the chapter of their unromantic but satisfactory story. Returning to Broughton, the

Shirts and Shirtmaking.

group there is completed by the shirt, underclothing, and mantle factory. Some thirty years ago the C.W.S. gave out cloth every week for a jobber to make up into shirts in conformity to instructions. A further step was the introduction of the dozen machines already mentioned, and another was the renting of a small factory adjacent to Balloon Street. Here the industry grew, in company with the manufacturing of underclothing, until a removal to Broughton in 1896. In ten years at Broughton the annual value of the output increased from £13,822 to £45,612. Electric power was installed for the machines, but no stoppages from wages were made for power, nor for thread, dining-rooms, fines, or any other purposes. All the work of the factory was finished within its walls. Touching upon Hood's famous verses, composed in 1843, the present writer said in the *Wheatsheaf* for March, 1906:—

When the sewing machine came into general use about 1870 it was prophesied that the "Song of the Shirt" would lose its force. But after a temporary improvement the conditions of shirtmakers became actually worse. The factory competed with the home industry, and the worker was ground between the two systems. At last, about fifteen years ago, when the outlook in Manchester was at its darkest, a Shirtmakers' Union was formed. Since that time, with ups and downs, there has been great progress. The C.W.S. helped when, some thirteen years ago, it began shirt making under standard conditions. But the improvement has been limited to the factories. Outdoor workers, who are employed by all but one or two manufacturers, find their position much the same. Where they are paid according to a fair list they have to find their own machine, probably by the costly hire system, and their needles, cotton, and so forth. But with the competition between them—being quite unorganised—they are usually paid less per garment than the inside worker. Meanwhile the employer has no factory expenses, no rates and rent for factory room, and practically no responsibility. Thus a "rush" order comes in, and he immediately employs all the outdoor labour available. The work is taken into poor two or one-roomed homes, in which, perhaps, husband or children or father or mother is lying sick with some infectious disease, and there the workers, probably themselves anæmic and ill, stitch all night long, urged on by fear of a rent collector turning the whole household into the street. At last the work is completed within the specified time, it goes back, and the employer pays and ends the bargain. He has incurred no extra charges for overtime, no extra expense in running machinery at all hours, and is under no fear of Factory Acts; for, while there may be a nominal obligation to have his work done in decent homes, he knows it is practically impossible to fix responsibility upon him. Withal he has pleased his customer, and will have the credit of being smart and obliging. It need hardly be said that the C.W.S. gives absolutely no work out, whether orders are thereby lost or not.

Since the early death of Mr. John Harker, in 1908, there have been two changes of management at the factory, a circumstance not

The Story of the C.W.S.

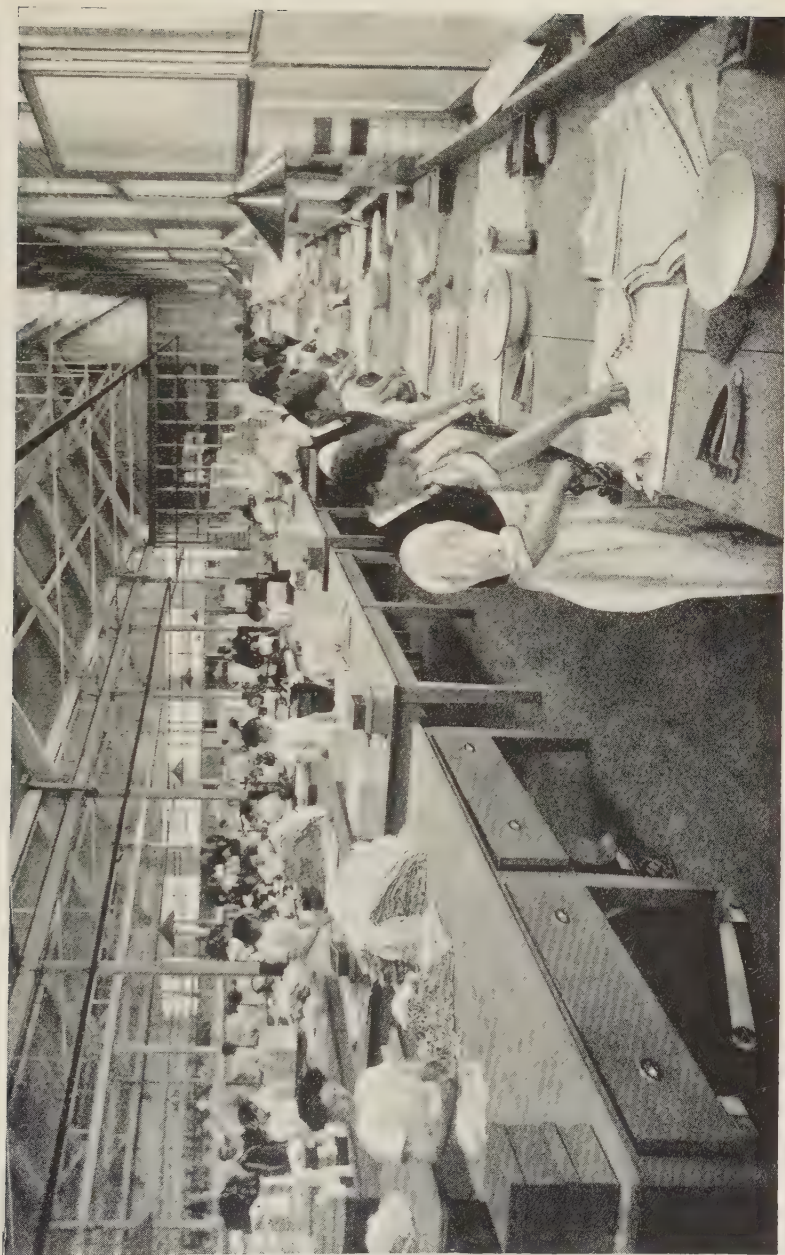
accompanied by the best results. Nevertheless, for the year 1912, the factory, under Mr. Ede, could boast an output grown in value from the £45,000 of 1905 to £125,000 for 1912. Shirt making is also a department of the general clothing factory at Pelaw; while a branch from Broughton was opened in January, 1913, at Sheffield. Writing of this departure the March *Wheatsheaf* said:—

Great as is the activity of the busy hive at Broughton, and although most possible economies of space have been made, the factory is not large enough for the growing demands of a successful trade. A branch has therefore been opened in Sheffield. Trippett Lane, when the now amalgamated Sheffield Society began the present shop there, was a thriving working-class quarter, and good use was found for the hall over the shops. But as workshops advanced the members retired, and gradually the branch became a problem to the new society. The C.W.S. has taken the hall, with the rooms immediately below, as workrooms. Two hundred machines have been installed, and work began in January last. At present only jackets and overalls are made; but as the work becomes established, further developments will come. It has been regretted in the local press that Sheffield has thus lost a public hall, of which the town had none too many. This loss is probably outweighed by the gain to labour.

Of the underclothing branch of the business, managed by Mr. Kershaw, the lady whose work is known to the Manchester press over the name of "Sigma," wrote in the *Wheatsheaf* for April, 1911:—

So far I have been speaking chiefly of the shirt and overall factory. The underclothing one close by is even more interesting, as there is, of course, more scope for daintiness and delicacy in the finished product. Here the machines not only accomplish seaming, tucking, and the other plain-sewing processes described above, they also hem-stitch and blanket-stitch edgings upon the garments as they are made, so that a simple flannelette nightdress or combination may have a suitable and pretty decoration added at very small cost. The girls who work these machines are a very cheerful and intelligent set. The older hands carry out their work with a deftness born of long practice, while the learners very rapidly profit by their instruction. . . . One nightdress of finest nainsook, with tucked medallions surrounded by cluny insertion, could bear comparison with much of the best French machine work. Another has a yoke of English embroidery, a miracle of tucked and inserted elaboration. . . . Similar garments, produced at Broughton with an equal skill, have won many awards and diplomas at international exhibitions.

The mantle making, under Mr. Harrison, at Broughton, of late years, largely has meant the manufacture of rainproofs and ladies' costumes. By means of fashion books and samples the factory through the retail stores is brought to the wearers; and cutters and trimmers, machinists and pressers, are kept busily engaged in the



THE C.W.S. DESBOROUGH CORSET FACTORY: THE FINISHING ROOM.



KNITTING SEAMLESS UNDERGARMENTS AT THE C.W.S. HUTHWAITE HOSIERY FACTORY.

Ladies' Wear.

light and airy workrooms of the manufactory. History, here, chiefly would be concerned with fashions, for whether by the aid of their dividends or not, many co-operative women at their best are dressed handsomely, and the "Sunday best" is thoroughly studied in the warehouses and at the factory. Formerly the corset making was under the same roof; but, in 1905, after seven years at Broughton, under its present manager, Mr. Thomas, the latter industry was removed to Desborough, in Northamptonshire; and the mantle department, like the shirt and underclothing business, obtained room for expansion. Concerning the removal of the corset factory the writer, perhaps, again may be permitted to quote his own words in the *Wheatshaf*:—

The corset factory was originally a member of the Broughton group, and it began operations on October 20th, 1898. A few years sufficed to prove that at some time in the future larger premises would be required; and the attention of the Wholesale Committee was drawn to Desborough. The Northamptonshire township had a claim to be considered as a corset-making centre, and it made also a strong co-operative appeal. The distributive co-operative society at Desborough, besides enrolling the greater number of the inhabitants, had attained a unique position. With the help of a secured loan from the C.W.S. it had purchased (in 1898) a freehold estate of over 400 acres, carrying with it the local manor house. Under a large area of this land there proved to be a bed of iron ore, sufficiently valuable to recoup the society for the whole first cost. The Desborough co-operators decided to work this themselves; and, under the circumstances, to find employment for the girls and women of the village, they were ready to offer the C.W.S. special terms. At the Quarterly Meetings in December, 1904, the Wholesale Committee asked approval for a purchase of 7,556 square yards of building land, fronting on the Rothwell Road, Desborough, for a nominal price of £5; and 500 square yards adjoining were afterwards bought. Meanwhile the existing Desborough Corset Manufacturing Society was taken over, and finally, on July 3rd, 1905, the whole of the business was transferred to the fine new factory which by that time had been erected on the Rothwell Road site.

The new Desborough factory was entirely "in the country," so much so that fox, hounds, and hunters more than once charged past its walls. Desborough at that time had a population of about 4,000, of whom 1,000 adult persons were members of the local co-operative society. At the joint cost of the C.W.S. and the Desborough Society a new road was made upon one side of the C.W.S. works, along which the Desborough co-operators built a number of villa cottages. The increased charges for depreciation and interest worked out in losses at Desborough during the three years or so after the removal; but since 1908 the factory has met these liabilities and shown profits in addition.

The Story of the C.W.S.

The growth of the various clothing factories meant a large organised demand for linings and similar cotton cloths. This enabled the C.W.S. Committee in September, 1902, to submit a proposal to buy five acres of freehold at Fishpools, Bury, for £3,025, on which to build an up-to-date weaving shed. It was a recommendation designed to gladden the hearts of Lancashire delegates, but many felt the loss of greater pleasure, in the C.W.S. not having come into their own particular patch of the cotton county. "They all knew (said one delegate who remained in a good humour) that every town in Lancashire produced the best cloth." Weaving was commenced at the new shed in February, 1905, under the management of a Bury man, Mr. Henry Blackburn. Over five hundred looms were put in, a number afterwards increased to nearly a thousand. "A single loom," said a *Wheatsheaf* writer recently, "is capable of drowning the united efforts of a family possessing a loud piano, two babies, and a canary; and here there are over nine hundred looms." The productions have multiplied to include dress linings, grey and bleaching calicoes, flannelettes, sheets and sheetings, and cotton blankets. Of the working conditions in May, 1911, the *Wheatsheaf* said—

At the C.W.S. shed the trade union hours are worked and rates of wages paid, and it is found possible to keep the work up to standard without an irritating system of fines. A dining-room is provided—surely a necessity everywhere, one thinks, until the known facts of many mills and sheds prove it a luxury. That the conditions of work compare favourably with the trade generally is evident in conversation with any weavers of the town. The relative merits or demerits of the various firms are well-known and discussed.

The C.W.S. Bury shed, during its eight years of existence, has paid some £31,000 in depreciation and interest, and shown a profit over and above of £2,630. . . . Recently the growth of the shirt-making business has led to the erection of a second shed at Radcliffe, between Manchester and Bury, largely fitted with Northrop looms, and designed primarily for the weaving of shirtings. Of the returns from this shed it is as yet too early to write. At Bury over three hundred workers are employed, and at Radcliffe the number is expected to reach a hundred and fifty by the end of 1913.

It is not a hundred miles from Radcliffe or the substantial town of Bury to the Littleborough Flannel Mills. The latter stand in a valley of the Pennines, within a tram ride of Rochdale. References have been made to Littleborough more than once in this history. As the sole creation of the Lancashire and Yorkshire Productive

The Restored Flannel Mill.

Society of 1872 the flannel mill was associated with the earliest productive controversies, and the failure of the Productive Society in 1878 connected Littleborough, also, with that melancholy period of collapse. Mitchell's tenacious liquidatorship, and the loans from the C.W.S. with which he furthered his weariless endeavour, served continually to bring the mills before the notice of the delegates during many subsequent years. Without reward to himself the C.W.S. chairman of those days, in co-operation with Mr. W. H. Greenwood, the manager, kept the business going with sufficient success to pay interest regularly upon the ordinary and special loans, and to depreciate the fixtures and machinery. Thus for seventeen years until Mitchell's death, when the office of liquidator was filled by his successor, Mr. Shillito. Three years later, in 1898, the business, being already a kind of C.W.S. protectorate, came entirely under the Society's control. The Hare Hill Mills occupied by the new department from the commencement had been merely leased. In 1900 the C.W.S. purchased the entire property, covering 13,381 square yards, and subject to an annual rent charge of £14. 5s., for £3,250. Since that date, although the popularity of flannelette has not helped flannels in the market, the one-time failure has returned £7,878 in profit, plus £13,617 for depreciation and interest.

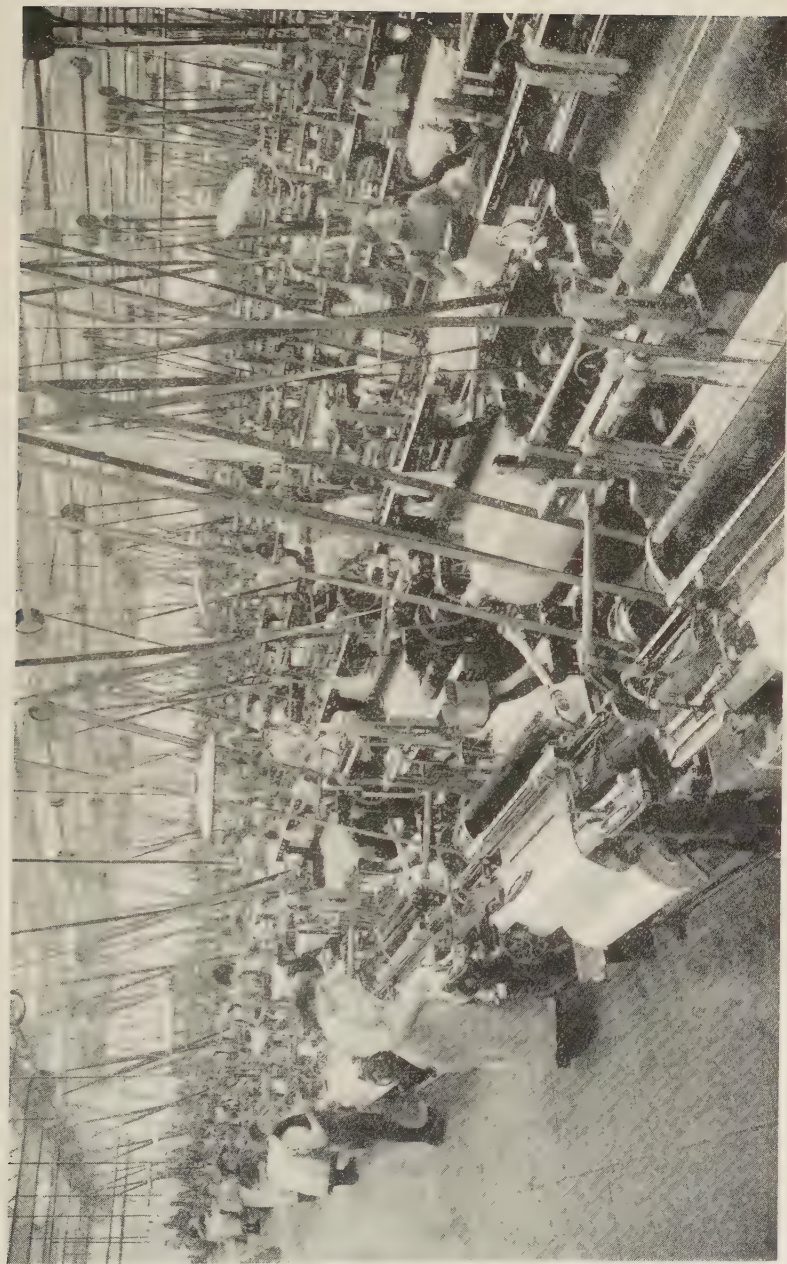
A longer and more disturbed history attaches to the next productive department concerned with the supply of C.W.S. drapery. It reaches back to 1867. In that year, according to Mr. Ben Jones in *Co-operative Production*, a co-operative hosiery society was formed in Leicester. The society carried on a small business until 1875, when the Hosiery Operatives' Union decided to commence making hosiery, and incidentally to buy out the co-operative hosiers, paying 23s. for every £1 share. But the law and an eventual majority of the organised operatives were against the ruling body. With a loan from the union, therefore, twenty of its members finally agreed to form a second Leicester Co-operative Hosiery Manufacturing Society. In 1890 this society "had 235 members, of whom 88 were co-operative societies, 23 were employees, and the remainder private individuals." The capital was then £5,832, of which £1,600 was contributed from outside, and £173 by the employees. The sales for that year amounted to £17,079. By 1901 the sales had reached an annual total of about £70,000. At this point the Hosiery Society approached the C.W.S. Bank to negotiate a loan for extensions. But the Wholesale Society by this time had developed a hosiery

The Story of the C.W.S.

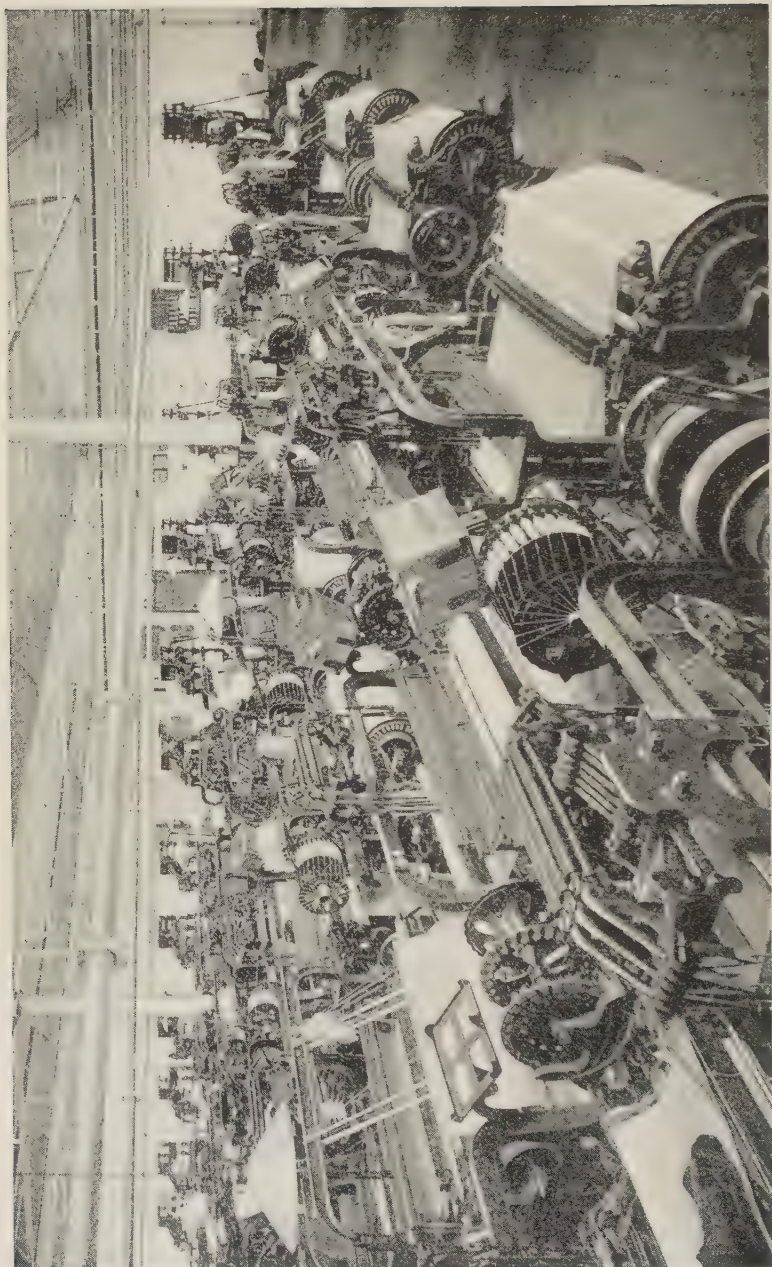
trade of about £75,000 yearly, of which only one-third (between £23,000 and £24,000) was supplied by the Leicester Hosiers.

The time thus being ripe for a C.W.S. Hosiery Factory, the Wholesale Society made a counter proposal to buy out the Midlanders. The property, machinery, and fixtures stood in their balance sheet at £15,236, for which the C.W.S. ultimately offered £29,000. With this offer went a promise to take over every employee, and to guarantee continuance of employment for twelve months. Employee-shareholders were to have facilities for re-investing in the C.W.S. Bank at $3\frac{1}{2}$ per cent. These terms the committee of the Hosiery Society agreed to recommend to the members. The latter body met on November 8th, apparently to hear for the first time of negotiations which had been going on for twelve months. The Leicester Hosiers "being one of the largest, oldest, and most successful of the copartnership societies," the news came to many people in that camp as something more than a surprise. One writer in the *Co-operative News* urged that the Hosiers' committee had no more right to sell the business than Parliament would have to dispose of England to America. The meeting was adjourned, the committee promising in the meantime to consult all the societies interested. At the next meeting, on November 29th, replies from 116 out of 380 societies were available as evidence. Seventy-eight of these, whose united purchases during 1901 had amounted to one-half of the Hosiery Society's output, were in favour of the transfer; and twenty-four others were neutral. Some five hundred delegates and shareholders attended this meeting, amongst them a large number of the employees. The proceedings were reported as degenerating into "a perfect Bedlam of noise." A number of youths and girls interested as shareholders only to the extent of a £1 share apiece, were held to be responsible for the disorder, and in some quarters their possession of voting power against large shareholders was severely commented upon, although the principle of votes for persons and not for capital is at the root of co-operative democracy. On the voting the Hosiery committee's resolution was lost by 286 to 204, whereas a three-fourths majority was required by the society's rules. Although the employees greatly swelled the opposition forces, it was stated by Mr. Aneurin Williams, Mr. Amos Mann, and others that had all the employees abstained the requisite proportion still would not have been secured.

After this vote the C.W.S. Committee could only withdraw their recommendation to purchase. "The course of the Wholesale was



LOOMS AT THE C.W.S. BURY WEAVING SHED.



ELECTRICALLY-DRIVEN NORTHROP LOOMS AT THE C.W.S. RADCLIFFE WEAVING SHED (1912).

Leicester Hosiers and the C.W.S.

now clear and straight," said Mr. Shillito, "and they would have to enter into this business on their own account." The C.W.S. could not re-open negotiations; but a hint was given that fresh offers from the other side still would be entertained. And the Hosiery Society, whatever its faith in the principles of copartnership, proved disinclined to carry independence so far as to find another than the co-operative market. A special committee appointed by the distributive societies interested as purchasers, or shareholders, or both, met the workers in conference at Leicester on February 14th, 1903. Now the fighting spirit ebbed, for one of the Hosiery Society's travellers pointed out that his week's orders from co-operative societies had fallen from £700 to £150, and a colleague on the road agreed that the feelings aroused against the Hosiers made an acceptance of C.W.S. terms "inevitable." And at a meeting of the Hosiery Society on February 28th, not only was a resolution for re-opening negotiations carried by 212 to 54 votes, but each member of the committee alleged to have "sold the pass" was re-elected, the chief C.W.S. critic at the Quarterly Meetings of the federation being an unsuccessful candidate. The arrangement of the transfer went forward after this very quickly indeed. The C.W.S. price and conditions remained the same; and in June, 1903, the Wholesale Society's Committee found themselves in a position to recommend the purchase to the delegates, who agreed unanimously and without discussion.

The C.W.S. entered into possession of the Cranbourne Street Factory on July 1st, 1903. The stock taken over from the Hosiery Society was valued at £34,792, an amount almost equal to six months' production. With these goods in hand at the factory it became necessary to work short time, and a special depreciation of the stock in addition caused the results of the first six months to show a loss of some £1,174. The output for the same period was £32,382. Mr. George Newell, an original promoter, and, as manager, a chief builder of the second Leicester Co-operative Manufacturing Society, had died before the transfer to the C.W.S., and the effort to find a worthy successor resulted about 1906 in the factory being under its third manager since the acquisition. This last change appeared to be beneficial, for the small net profit of 1905 changed to net four figure gains in 1906 and 1907. And, with this first sign of return to what seemed like normal production, the original need of extension and also of a more conveniently arranged factory made itself felt. The Committee decided to build an entirely new works.

The Story of the C.W.S.

Various sites were visited, and in December, 1906, sanction was asked for a purchase of four and a quarter acres, for £719, at Hucknall Huthwaite, near Sutton-in-Ashfield, in Nottinghamshire. The intention to go outside both Leicester and the county aroused protests at the old centre, but the Committee asserted a need of extending the production to include the finer manufactures of the Nottingham district, and of having room to provide for the processes of dyeing and finishing, not undertaken at Cranbourne Street. Delegates from the Nottinghamshire district combated the statement that Huthwaite was an unsuitable locality for the works; and the proposal was everywhere approved.

The new factory began operations on February 4th, 1908. Idealists of all kinds and varieties unite nowadays to advocate the taking of works into the country. For well-to-do people who can afford frequent visits to the nearest city, or for those whose business takes them into the full stream of human life at tolerable intervals, certainly it is delightful to work amidst fields and trees. But people of limited means have reason for sharing Charles Lamb's genial love of streets and crowds; and it is doubtful whether any removal of a C.W.S. works from a city or large town to a comparative village, however healthful, has been wholly appreciated by the employees. Nevertheless, forty-two of the forty-eight male operatives employed at Cranbourne Street followed the factory to Huthwaite, but only sixteen out of forty warehousemen, and fourteen among 208 girls. At the London Quarterly Meeting, where these figures were given by the chairman, it was stated that a lower trade union rate at Huthwaite affected the latter body; at the same time the coming of the C.W.S. increased the local rates; and, temporarily, at least, the loss of so many skilled workers created a difficulty. In some of the C.W.S. factories some of the work done by feminine fingers is so simple that any normal girl can learn it in a short time, and do it quickly and well. It is different with knitting machines, which, although almost as light for women's handling as a pair of needles, still are extremely intricate. Capacity in this industry usually is sure of reward, being clearly worth paying for. And, although skilled hosiery workers already were to be found in the Huthwaite district, much of the C.W.S. work differed from theirs; and a good deal of training became necessary. Again, to admit of supplies during removal, the stocks at the end of 1907 had been allowed to reach the figure of £62,000; and subsequently the price of yarn unexpectedly fell, leaving the stocks difficult to clear. Under the pressure of these

Hosiery Making at Huthwaite.

circumstances, with the disturbance of a removal, and the increased fixed charges, the management found relief in producing inferior goods. But this false step proved, at any rate, that the co-operative movement was not indifferent to the quality of its supplies. Complaints multiplied; the magnificent new factory was brought practically to a standstill while the Committee made their investigation; and a fourth change of management quickly followed. Realising the necessity, the Committee further resolved upon a bold course. The stock was specially depreciated, certain unnecessary contracts for yarn were determined, and everything done to make a clean new start. The delegates had then to be faced with a half year's loss totalling £35,000, or £40,958 on the whole year 1908. The task was rendered still more unenviable by the same balance sheet happening to contain various other losses totalling in all £20,000. However, it was stoutly faced by the Productive Committee of the C.W.S., led by its chairman, Mr. Lander, whose frank statements at the final general meeting did much to restore confidence. After all, although described by a delegate as the worst balance sheet on the productive side ever placed before them, the accounts for this half year showed a substantial net profit from all the productive works, after reckoning every possible penny on the wrong side.

The new manager, Mr. H. France, capably assisted, began his uphill task in November, 1908. The quality of the fresh productions was jealously guarded, the training of workers devotedly undertaken, and, with a restored confidence, the annual production climbed from the extraordinarily low figure of £53,000 in 1908 to over £80,000, to £85,000, to £107,000, and last year (1912) to £127,000. There, with a full output and restored profits, the story of the factory may comfortably be left.

The history of the remaining works engaged in producing "dry goods" should now follow, but this must be reserved for a supplementary chapter.

CHAPTER XXIV.

BOOTS, MAINLY, AND THE CONTROL OF INDUSTRY.

History in Sections—Leicester and Rushden—Difficulties that were not a Barrier—A Unique Grant—Brushmaking in London, Huddersfield, and Leeds—The Dudley, Keighley, and Birtley Works under C.W.S. Control—An Old Issue under a New Form—Years 1891-1913.

OF the forty factories, mills, and works of the English C.W.S., some few, the flour mills for example, lend themselves to treatment within separate chapters. Others, like the Pelaw group, demand notice as a district possession, and also in connection with their particular industries. In yet other instances the factories appear historically as wings of the main building; and, at the cost of dividing their record, one must write of them in relation to the general events of particular periods. The boot and shoe works fall within this latter class. We have witnessed the Leicester factories originating in the first enthusiasm for C.W.S. production which naturally belonged to the early seventies; and we have seen how the resulting contact with realities in the eighties produced too great a disillusionment in some whose hopes had run too high, as their fears afterwards fell too low. Following this period there came the expansion represented by the new W heatsheaf Works of 1891, from about which point we again take up the story.

In 1894, as in after years, advantage was taken of the state of the leather market to send another buying deputation to America—the first was in 1889. The 1894 visit was most opportune, for a rise in prices followed and continued. In the second half of 1895 the leather used in making-up at the Leicester works was worth £9,500 more than during the same period of the previous year, while the selling prices at that time had not risen in proportion. It was during his travelling in the United States that Mr. John Butcher, of the Leicester works, saw how shoes were then being produced at a lower cost than in England, although the operatives were earning much better wages. This he considered to be due to a greater output, coming from men using machinery under less restricted conditions. The official reports from the works about this time contained many details showing a steady effort similarly to improve production, at the same time without positive collision with a

Leicester and Rushden.

determined trade unionism. In the region of costs, the year of the century's lowest general prices had been passed, and the constant rise in all raw materials resulted in a growing public demand for cheaper qualities of boots. The effect of this upon the C.W.S. was to send up the percentage of purchases from private manufacturers. From 14 per cent in 1895 it reached 27 per cent in 1899. The boot and shoe industry, like the printing trade, lends itself to specialised production by relatively small makers or groups of makers. A number of copartnership boot societies therefore exist, and these societies, appealing to co-operative sympathies, came increasingly into competition about this time with the societies' general federation.

The C.W.S. management expressed no fear of meeting any rivalry, private or copartnership, provided that the trade union concerned would agree to the C.W.S. employing workers on the same terms as those sanctioned for manufacturers in general. Many of the purchases from private sources came from the town and county of Northampton, and a number of the copartnership societies were situated in the same shire. Although it might not be admitted in Leicester, there are many practical men who aver that Northamptonshire enjoys a pre-eminence in men's boots by reason of an indefinable something called the Northamptonshire style, quite apart from the question of wages—a result of specialisation by generations of workers. Nevertheless, the union rates of wages, both for the town and the county, were lower than in the borough of Leicester. To meet the competition it would be necessary for the C.W.S. to establish itself in Northants and to work under the accepted local "statement." Would the C.W.S. be at liberty to take this action on behalf of co-operators without friction with the trade union? The answer was not taken for granted, because at Enderby, for example, the terms were not equal. The Leicester rate was expected to be forthcoming from the C.W.S., while manufacturers in other villages upon that side of Leicester worked upon a local level. The general problem occupied the attention of the C.W.S. Committee responsible for the works during 1897-8, a C.W.S. deputation having met the local representatives of the Operatives' Union at Northampton and discussed the matter with them in December, 1897. The Wholesale Society, however, ultimately did not go to the county town but to the small town of Rushden, near Wellingboro', between Northampton and Kettering. Here a factory was bought in 1899, the price, including 1,684 square yards of freehold land, being £1,186. A year later this was added to by a couple of purchases totalling

The Story of the C.W.S.

3,386 yards, for about half as many pounds—£1,590. This gave a compact site, admitting the erection of a first-class modern factory. The extensions following the second purchase brought the capacity up to 5,000 pairs weekly, and in 1902 the average output over the whole year reached 3,000 pairs every week.

No co-operative works is likely to take a pride in meeting a demand for goods of a lower quality, and it is not surprising that at first the Rushden works took away from the C.W.S. works at Leicester rather than from the private manufacturers. The general state of trade throughout the country meanwhile (1901-4) was retrogressive; at any rate, unemployment was steadily increasing, and, with a double cause, the Leicester works was put on short time. This was a more costly way of meeting the decreased demand, the cheaper method being to reduce the number of workers; but co-operators naturally preferred the principle of sharing the burden. Yet, however borne, the partial working could not be other than disagreeable, and it did not incline the Leicester workers to be strictly impartial toward Rushden. That factory, with Enderby, was concluded to be wholly responsible. In 1901 a number of the C.W.S. Committee, with the managers of the C.W.S. boot works, on one side, and representatives of the Boot and Shoe Operatives' Union on the other, met a deputation of C.W.S. Leicester workers, when the whole situation was talked over frankly. Other matters were also on the agenda, among them a threatened strike at the C.W.S. Leicester West End (Duns Lane) Works—threatened in order to compel the girls employed there to join the trade union. This meeting naturally tended to mutual understanding, nevertheless the feeling at Leicester did not readily die out. One side no doubt believed that the great co-operative federation deliberately was encouraging a transfer of trade to a district of lower wages; while a counter charge was made of the organised workers seeking to place restrictions upon the use of machines by the C.W.S. which were not imposed upon private manufacturers. "This"—so the caustic comment was made—"This is where the affinity of trade unionism and co-operation comes in." However, it should be said that in 1904 the management reported a reversal of the trade union attitude toward output.

Each workman is now permitted to work according to his ability, and is paid accordingly—a policy which we have always encouraged and advocated. . . . Therefore, although the workpeople may be working short time, they are earning more wages per head than formerly.

Statements Unjustified.

At Rushden, of course, to use an appropriate proverb, the boot was on the other leg, and here the relations between the C.W.S., its employees, and the local trade unionists were cordial from the first, as they continued to be.

The trade conditions during the years immediately following 1905 still did not help production. A further advance in the price of leather took place, and, with the general cost of living rising, the demand for cheap, light boots became more insistent. Substitutes for leather more and more were introduced, and such goods were reported as offered by makers within the co-operative movement. On the other hand, the C.W.S. had built up a reputation upon all-leather footwear, and upon all boots sold under the Wheatsheaf brand being of C.W.S. manufacture, and the management at Leicester regularly had succeeded in nailing to the counter any statements intended to injure either propositions. Again, influenced by modern taste, the trade became more seasonal; and it has already been pointed out that the seasons offer a perennial problem in the co-operative world. If the distributive departments cannot meet the demand for new goods as and when it arises they are likely to lose their trade, and accumulate bad stock from late deliveries; on the other hand, the productive departments cannot put the whole difficulty upon the shoulders of labour by engaging and discharging employees entirely in the easy way of those who are under no responsibility to working-class constituents. It was under such circumstances that, among incidental occurrences, there came an attack upon the business by a representative of the women's section of the National Union of Boot and Shoe Operatives. Speaking at an Anti-Sweating Exhibition held in Bristol during March, 1908, this official (Miss Willson) made certain statements reflecting upon the wages paid to women workers at the C.W.S. Leicester boot factories. By the following September, when it first became possible to raise the matter at a C.W.S. Quarterly Meeting within that city, the speech had grown to a very positive charge of sweating. "Members of the union," it was reported, "would rather be out of work than accept a situation at the Leicester works of the C.W.S." Mr. Lander, for the Wholesale Society's Committee, made a long and detailed reply. The alleged unfair payment was absolutely denied. There was, Mr. Lander said, no list or standard for women workers in the Leicester boot and shoe trade; but the C.W.S. employees received "the best wages given in Leicester for the same class of work." Yet Miss Willson returned to the charge,

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and, many co-operators remaining unsatisfied, a deputation from the C.W.S. met the chief officials of the operatives' union, including Miss Willson, in the general secretary's offices at Leicester. The meeting took place on the 17th of November, and a report, reprinted from the monthly circular of the operatives' union, appeared in the *Co-operative News* of February 6th, 1909. It appeared that a fire had taken place at a certain Leicester factory. Thrown out of work some of the women employees were advised by their friends to try the C.W.S.¹ Previously, however, they had been under conditions of piecework, and the day wage offered at the C.W.S. factories was considerably less than the best full-time piece rates. But when the president of the union (Mr. Freak) ruled out this question of day and piece rates as not admitting a fair comparison, there seemed to be little left. Mr. Lander, present on behalf of the C.W.S., pressed for particulars of what the trade union rate was for women in Leicester. To this Miss Willson replied that she would prepare and supply a statement only on condition that the C.W.S., in engaging workers, would give the preference to trade unionists—"she did not work for non-unionists." Here, again, the president of the union intervened, to disavow so unconciliatory an attitude; while Mr. Lander promptly asked, "why do you not try to get the women to join the union? We are quite willing—

We do not ask anybody whether they are trade unionists or not, any more than we ask whether they are co-operators or not. . . . The women may please themselves. There is no let or hindrance. . . . And we are prepared to pay the full trade union wages.

The meeting was reported to the full general council of the union, and on the 22nd of November Mr. E. L. Poulton conveyed to the C.W.S. Committee the conclusion of the council that the statements were "such as should not have been made," there being "no justification for the statements as relating to the C.W.S. Wheatsheaf Works at Leicester." This ended the main incident; but the women's section of the union sought to justify their spokeswoman and appealed to the Leicester branch of the Anti-Sweating League to make "an independent inquiry." The C.W.S. Committee, rather naturally, declined to be haled up before this court. A "report" was then published by the Leicester branch of the league, regretting that the C.W.S. should "shelter themselves behind the decision of the Trade Union Council." This pamphlet still has two or three points of interest. It made the terrible suggestion

¹ The C.W.S. management, also, promptly had offered all the relief possible.

The Six Weeks' Strike at Leicester.

that the "more correct designation of the C.W.S. would be the *Consumers' Wholesale Society*," and darkly and partially conceived it as the historical ideal and principle of co-operation that it should "benefit working people not only in their capacity as owners by the appropriation of profit, but (as the word co-operation implies) by the provision of the best conditions in regard to work and wages for their employees." It may also be noted that the maximum day-work figures paid to adults for the simpler kinds of work, quoted, in condemnation of the C.W.S., as paid by "good class" private firms, fell below the minimum wage adopted by the C.W.S. Quarterly Meetings of December, 1912.

We come now to an event which may be the better understood by those who have read the previous history of the boot and shoe works. On December 11th, 1906, as member of Parliament at that time for Wolverhampton, Mr. T. F. Richards, who had become general president of the Boot Operatives' Union, took the chair at the opening of a C.W.S. exhibition in Wolverhampton. He spoke in praise of the C.W.S. as employers:—

During his long time in Leicester he had come very frequently in touch with the C.W.S., and he had always found them to be model employers. . . . He had never known the C.W.S. refuse to grant their employees leave of absence when required to assist in any trade dispute, and he had never known a single C.W.S. employee in the boot trade suffer through his action. . . . If ever there had been any trivial dispute, or his own operatives' union wanted assistance, the C.W.S. representatives had readily met him, and matters always had been arranged satisfactorily to all concerned.

The Leicester works were then under the same management as in 1913; but a militant attitude on the part of the union was indicated by a programme issued at the beginning of the latter year. It asked for a 48-hour week, a national minimum wage of 35s., and the abolition of female labour in four departments. A demand arising from this programme was made upon the C.W.S., a demand with which we have no concern except as indicating the temper in which some incidents of March, 1913, were received. In that month three women workers were discharged—two at Enderby and one at Leicester. On appeal the Leicester worker was reinstated; but meanwhile a number of girl members of the union had tendered notices at Enderby, and a similar body had ceased work at Leicester. Investigating the case on the spot on March 11th, members of the C.W.S. Committee found that the workers were then out on Mr. Richards' advice, and that the girls would not be advised

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to return until all their sex at the three works became members of the union. As a result of their investigation, the Committee agreed to reinstate one of the Enderby workers, but in the other case declined to do so on the grounds of efficiency. Subsequently, all the women workers concerned joined the union, yet the dispute continued. It was now general, and the three works were closed. At the C.W.S. Quarterly Meetings of March, 1913, Mr. Richards appeared, and raised a general case of wages and conditions for the women workers, but Mr. Lander's reply on these points left little room for argument, and the strike settled down to the one single issue of the Enderby worker. The union appealed for arbitration. The C.W.S. pointed out that to agree to arbitration in such a case would mean renouncing the right of management. Altogether the stoppage lasted six weeks—until May 5th. It produced correspondence by the pound and newspaper reports by the hundred feet; and its cost of over £8,000 to the union was only a part of the loss. In the middle of April, acting for the Board of Trade, Sir George Askwith attempted a settlement, stating that the union did not then seek reinstatement but an arbitration that would clear the girl's character; to which the C.W.S. Committee replied that the written notice of dismissal had contained no reason or imputation, and left nothing for arbitration. The Joint Committee of Trade Unionists and Co-operators through all this had never been appealed to by the aggrieved party; nevertheless, toward the end of April they offered their good offices. The outcome was a return to work on the part of the strikers at the suggestion of the joint committee, the union consenting. The case of the dismissed worker then was considered, and, in view of publicity having closed other doors to her, it was agreed by the C.W.S. to find "suitable employment" for her either at Leicester or Enderby. And once more the old policy was endorsed, and it was agreed that no future strike or lock-out should take place before the whole of the facts in dispute had been submitted by the union first to the management, and, failing settlement, to a joint meeting of the C.W.S. Productive Committee and the executive of the union. The "down tools" policy, or "strike first and negotiate afterwards," if permissible in extreme cases outside, again was proved to have no useful place in the co-operative movement.¹

¹ It may be explained that, with the exception of this account of recent affairs, the whole of the present chapter, including its title, was written and in type before the question of the control of industry at the boot works reached a stage so acute.

Causes of Difference.

While more than one C.W.S. factory, in varying degree, has had a business experience similar to that at Leicester, the works in the latter town must not be taken as in all respects typical. The present writer derives nearly all the memories of his boyhood from Leicester, and he could advance many claims for the clean and pleasant borough of wool and cheese, shoes, and hosiery. There is, however, a difference of character between the folk of this and other Midland centres and those of Lancashire, Yorkshire, and the North. Perhaps it has arisen from home industries continuing until recently in the Midlands, although practically in the North they died three generations ago. At any rate, while Leicester resisted the vaccination law, and Northampton stood out for political independence, the North showed the greater genius for collective action. The difference proved itself again in Leicester becoming the copartnership centre, while the collective consumers' movement found its natural metropolis in Manchester. Curiously, also, a difference similarly traced to conditions of industry has been noted by political observers, looking at the larger Midland centre of Birmingham in its relation to mutual opposition to Manchester and Free Trade. Yet, whatever the variation, perhaps under ordinary circumstances it would have mattered little. As it happened, there were elements in action which a chemist might describe as reagents. Boot manufacturing still was affected by the coming of new and newer machines. Further, the Leicester works, by its very size, was quick to feel the ebb and flow of trade. To reduce the staff was an "unpleasant duty" now and then forced upon the management when the works was proved to be carrying a labour cost as much as one-third higher than elsewhere; and when a man with ten or twelve years' service behind him is asked to join the unemployed neither he nor his comrades are likely to reflect upon the problem with the calmness of armchair philosophy. The result of it all was that the C.W.S. at Leicester received more than its usual share of knocks and frowns. Nevertheless, we may apply here an epigram of Cardinal Newman's, although used by him to give point in a very different manner. "A thousand difficulties," he said, "do not constitute one doubt;" and a hundred everyday trials did not create a barrier to the progress of the C.W.S. works. Notwithstanding all fluctuations, the delivered output of the three Leicester factories—the Wheatsheaf, the West End, and Enderby—rose to a maximum of £428,531 in 1912. In 1908 the complete group of the Leicester, Heckmondwike, and Rushden works yielded

The Story of the C.W.S.

supplies to the value of over £580,000. Rushden had progressed from the £20,000 of yearly supplies with which it began to a trade of more than £100,000 annually. In 1905, when there were failures at Rushden amongst firms which had been offering unusually cheap goods, the C.W.S. factory there was standing firmly. Latterly, however, the advance has been at Leicester rather than at the Northamptonshire centre, so that again there have been extensions in that neighbourhood. The removal of the C.W.S. hosiery business to Huthwaite, and the use of the Cranbourne Street works for printing and boxmaking, has enabled the original Duns Lane factory to send its boot boxmaking to Cranbourne Street, and devote itself simply to making boots and shoes. This was in 1908, in which year the Enderby factory was also extended. The immediate results, during an ensuing period of bad trade, were not in proportion, but the last two years have seen a return to the high figures of the year named. The Rushden factory, however, has not yet regained the position of 1908, either in supplies or profits. This same quotable year was unusually profitable at Leicester, although the annual figures there have always been on the right side. It should be added that Mr. Butcher, in his seventy-first year, retired from the Leicester management in 1904, being succeeded by his previous assistant, Mr. T. E. Hubbard; and at Rushden Mr. Ballard, retiring in 1912, has been followed by Mr. Tysoe.

It would be tedious and unnecessary to treat in the same detail the last twenty years of the Heckmondwike Boot, Shoe, and Currying Works. As a heavy boot factory, relying upon the co-operative demand for old-fashioned, wet-resisting, hard-wearing "kip" leather, it was especially affected by the changes in public preference which already have been noted. While the increasing cost of leather bore most heavily upon its trade, the new liking for lighter footwear combined against its sales. These factors produced two crises in the later history; one in 1897 and the other just ten years later. During the whole of 1896 losses were accumulating until in 1897 they totalled some £4,000. An increased depreciation following upon extensions in 1896 affected the returns, but this cause was not in itself considered sufficient. The Committee undertook an investigation, and a change of management followed. Mr. Redfearn (of Heckmondwike), speaking upon these losses, quoted a biblical-minded shoe buyer as saying that "the boots and shoes made at Heckmondwike had neither form nor comeliness, and when you saw them there was no beauty that you should desire them." But even

Heckmondwike Boots and Leeds.

in regard to navvies' and quarrymen's boots this would hardly hold good to-day. Given a new start the works went on for some years, increasing its trade and with fair profits, until 1904. By that time the ever-lessening demand for heavy boots had resulted in an intensified competition, and this strain upon the management proved too heavy. There ensued a period during which the factory satisfied neither its customers, nor its workers, nor the Committee, the total losses reaching about £10,000. In November, 1907, the present manager, Mr. Haigh, took charge, and better results began to follow. From less than £59,000 in 1906 the total of yearly supplies grew to £105,000 in 1912. A feature of this last revival has been the cultivation of a trade for pit boots among the co-operative miners of South Wales, while a working exhibit, showing the making of pit boots, at the Newcastle-on-Tyne Co-operative Congress Exhibition of 1909 attracted much attention.

The last addition to the C.W.S. Boot and Shoe Works dates from 1912 only.¹ In March of that year some 11,000 square yards of freehold land were bought in Leeds, the position being a convenient one upon the Meanwood Road, and the price £3.320. The light, new factory erected on a part of this ground, with its "minimum of brickwork" and "maximum of glass," is virtually an extension of the Heckmondwike works. It is under the same management, while being more conveniently placed than the parent factory for obtaining the best workers in this branch of the industry. The Wholesale Society has never lacked suggestions as to where to place its works. At one time in 1911 the Committee had nineteen proposed localities for boot factories before them—Northampton, Norwich, and Bristol making serious claims; but for some years any such developments necessarily must remain in the air.

Before we take leave of the shoe factories one important detail calls for notice. The question of new machinery and its effect upon the C.W.S. workers has twined like a more vivid thread in the plain web of our narrative. This colour in the homespun follows to its end. In 1911 the question became acute with the introduction of new lasting machines at Leicester. Some forty workers were displaced—to use the easy, euphonious phrase—and loud protests were made in the Midland town. A debate upon the discharges, punctuated by cries of "Shame!" was heard at the Quarterly Meetings of June, 1911. An unanswerable defence for the introduction of

¹Excluding a small rented factory at Wellingboro' opened in 1913 to bring under C.W.S. control certain outworkers engaged in "closing"—a final step in this direction.

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the machines was made out, however, by the C.W.S. Committee. They had held back from the step for eighteen months. Meanwhile, 330 of the new labour-saving devices had found their way to this country from America, of which number ninety were in use in Leicester. The new method, it was said, meant a better average lasting, and an improved appearance in consequence—a statement which, coming from the platform, was endorsed for the wearers by a leader of the Women's Guild speaking from the body of the hall. Hence, in the face of competition, the use of the new invention had become imperative. Operators had been found amongst the men affected, and the remainder would receive first consideration when vacancies next occurred at the works. Having stated this in the name of the Committee concerned, Mr. Lander, amidst applause, then went a step further. As reported in the *Co-operative News* (June 24th, 1911), he said:—

He wished to say, however, that the Committee were taking into consideration the men, with a view to helping them. In fact, the Board had considered it, and they were meeting the men during next week for the purpose of giving them a grant to help them over their present difficulty; and in doing that they were being warned by other people that they were doing something that other manufacturers had not done, and would not consider, and it would be said that the Wholesale were taking a dangerous step. But if co-operation meant uplifting, he held that they ought to do it when men were in adversity.

The amount paid to each man who lost his employment was £10, in addition to the C.W.S. contribution under the thrift fund, of which latter provision an account will be found in the final chapter of this history.

The Co-operative Wholesale Society, in its production, sets itself to supply all the constant needs of the worker and his wife, their children, and their home. This is the one principle that has drawn together such different businesses as flour milling, soap making, fruit growing, tea growing, tobacco manufacturing, tailoring, shirt making, skirt and costume making, weaving, hosiery knitting, boot making, cabinet making, and so on. The same thread of purpose now leads to three or four factories producing articles of pure household utility. First of these in the value of its supplies and the number of its workers is the Leeds Brush and Mat Factory. Brush making by the C.W.S. began in that humble way with which we are now familiar. It was developed by the furnishing department at Leman Street, London, and for a few years was carried on adjacent

Brushes and Brush-making.

to the big London warehouses. Pan-work bulked largely in the operations. Pan-work, which means half-a-dozen silent men sitting round a witches' cauldron of pine pitch to dip bunches of bristles therein, the fumes, thick but not unhealthy, rising to the roof and richly colouring the surroundings. The work in London increased until, in 1904, the employees numbered thirty. During the same time another co-operative brush-making business was developed under the control of an independent productive society in Huddersfield. By 1904 the Yorkshire factory, with accommodation at most for forty workers, was supplying co-operative societies with brushes to the value of £5,500 a year. But by this time brush-making machinery had come into existence which was beyond the capacity of either of the two little factories profitably to employ. These machines were in private hands, and their cheap productions were gaining the co-operative trade. To meet the competition the C.W.S. took action toward concentrating all co-operative brush making. The London manufactory in 1904 was removed to Leeds, an admirable centre for supplying north, south, east, and west. Adjacent to the clothing factory at Holbeck (Leeds) the C.W.S. possessed other factory buildings which were then unoccupied, and here temporarily the re-organised and enlarged business was installed, under the new management of Mr. Saunders. At the same time the Huddersfield Brushmaking Society was approached with an offer of purchase. Very soon the latter agreed to sell at a price yielding 24s. for each £1 share. The Huddersfield factory was taken over at the beginning of July, 1904. The next step was in December, 1906. A purchase was then made of 10,447 square yards of freehold (and buildings thereon) for £5,750 in Belleisle Road, Hunslet, Leeds, and an existing tannery was converted into an excellent modern brush factory. Here the Holbeck and the Huddersfield businesses both were installed, the economy of the C.W.S. providing a new use, as a general dépôt, for the vacated Upperhead Row premises in the cloth-making town. The humble domestic brush, whether as yard broom or scrubber, is so homely an article that most people are surprised to hear of the varied countries, climates, and peoples that contribute its raw materials. It is one of those insignificant details of commerce which unexpectedly can open vistas of interest—in this case toward Brazilian forests, toward Scandinavian birch woods, toward markets and fairs where bristle is sold from Leipzig to China, and toward the Continental prisons whence comes much competition with English and co-operative manufactures. The economics of few

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other articles could be counted upon so quickly to complicate a tariff reform argument. But we cannot linger over its fascinations here. Enough that cocoanut mat weaving (again with tropical connections) has been added to the brush making, the whole finding employment for over two hundred persons, supplying goods that in 1912 were worth £33,500. From the start the Leeds Brush and Mat Factory has been steadily profitable.

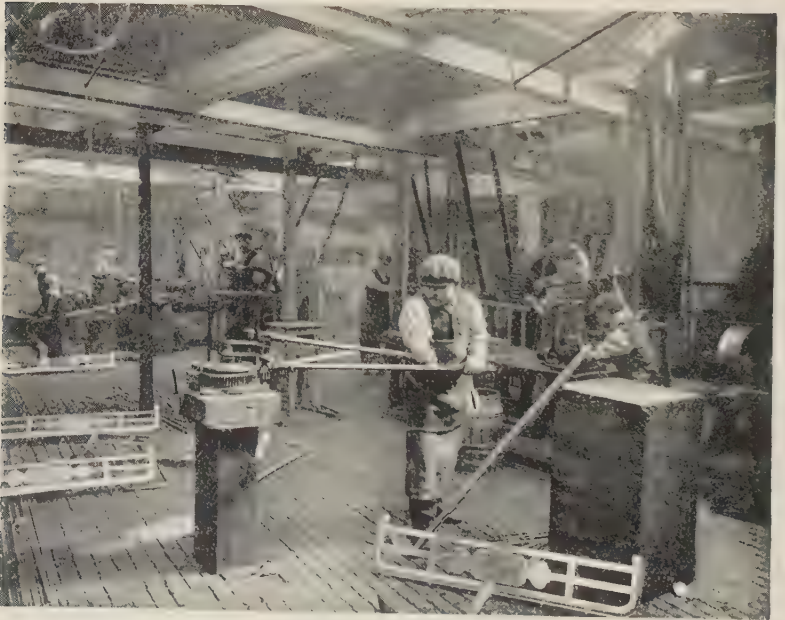
The three separate works at Dudley, Keighley, and Birtley usually are thought of together since they came to the C.W.S. simultaneously. The growth of the C.W.S. trade in general hardware led to friendly negotiations in 1908 for the taking over of all three. Through the Newcastle Branch in the case of Birtley, and through the C.W.S. furnishing departments generally in the other instances, already they were mainly dependent for custom upon the Wholesale Society, so that the transfers formed a simple matter, agreed to at the Quarterly Meetings of June, 1908, almost without comment. Concluding his chapter in *Co-operative Production* upon the "efforts to establish co-operation in the iron trades," "from shipbuilding and marine engine making on the one hand to needles, nails, and wringing machines on the other," Mr. Ben Jones thus summarised the record: "All the big efforts have collapsed; but some of the smaller ones are steadily growing in prosperity." The Dudley Bucket and Fender Society and the Keighley Ironworks Society, the historian of 1892 had found upon the cheerful list. The first-named association was registered in 1888, with five members. It suffered a small loss in its first year's working, a previous failure having created an obstacle, but subsequently it prospered. The winding up of the society, for a consideration of 28s. 11d. per £1 share, and the coming of the C.W.S., left the works in Charlotte Street, Dudley, substantially unaffected. Some will say that "the ideal committee consists of one"—it would be unfair to ask, "Which one?" Believers in so easy a unity would find encouragement in the history of some productive societies. More than once the success has been due to a prime mover and subsequent business head, whose position has been akin to that of a managing director. In the Dudley Bucket and Fender Society the leading spirit was Mr. John Round. He remained at Charlotte Street as manager under the C.W.S. The workers also retained their posts; and advances of wages definitely secured all that under the copartnership constitution they had stood to gain in bonus. Another special share of the profits previously had been granted to "capital." This payment, of course, ceased,



THE C.W.S. LEEDS BRUSH WORKS: AN INTERIOR VIEW.



WIRE MATTRESS WEAVING AT THE C.W.S. KEIGHLEY WORKS.



FENDER MAKING AT THE C.W.S. DUDLEY WORKS.

Domestic Metal Working.

the capital employed by the C.W.S. being credited with one fixed and uniformly moderate interest and no more.

The Keighley Ironworks Society was promoted by the local distributive society, the Keighley Industrial, in 1885. In 1886, with only four workers, the society began its business of making wringing machines, and succeeded after some initial struggles. The manufacture of bedsteads and wire mattresses was added before the C.W.S. bought out the society in 1908 at a price of 30s. 11½d. per £1 share. As at Dudley there was a copartnership "of capital, custom, and labour," and here, too, the junior partner did not lose by the change. Under Mr. Whalley and Mr. Lund the management also remained unaltered. The weaving undertaken by the C.W.S. has different and curiously contrasting forms—fine cotton cloth and wide sheetings at Bury, coloured cloth at Radcliffe, woollen cloth at Batley, flannels at Littleborough, mat weaving at Leeds, and finally wire weaving at Keighley.

The Birtley works is near the North-Eastern main line, six miles south of Newcastle; and its products are tinware, steel and sheet metal goods of all kinds, especially flour bins, travelling trunks, and domestic tinware. The origin of the works under nothing less than the Northern Co-operative Iron and Tin Plate Productive Society Limited, was explained at the C.W.S. Quarterly Meetings of December, 1895. The Blaydon Society then proposed that the national institution should invest £200 in the Birtley venture. It was to be the property of a federation of thirty-five co-operative societies, and there would be "not a single individual member." The investment was opposed by the C.W.S. General Committee, who had grown shy of helping to build up productive societies that ultimately might become obstacles in the way of the main body. A large majority shared the attitude of the Committee, and the Blaydon motion was lost. The Birtley works commenced business in the following year, 1896; and it was acquired by the C.W.S. in 1908, at a price of 28s. 4d. per £1 share.

The history of the manufacture of dry goods by the C.W.S. would not be complete without some reference to the subsidiary department of leather-bag making at Newcastle, and the important C.W.S. purchases from the sister federation. The shirt and collar factory of the Scottish Wholesale Society at Paisley, the Ettrick Tweed Mills, and the waterproof factory at Glasgow, all rely upon a large measure of English support. Managed and financed by the Scots, and therefore outside the scope of this history, they

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are worked under an agreement to pay over profits to Manchester, or recover losses therefrom, in proportion to the English purchases. "This agreement includes the idea of support to the fullest possible extent from the C.W.S.; and (says the S.C.W.S.) this has always been loyally given." The Ettrick Tweed and Blanket Mills at Selkirk came into the possession of the Scottish Wholesale Society in 1895; the shirt and collar business began at Leith in 1901. The waterproof factory is at Paterson Street, Glasgow. At the end of 1912 the three factories, taken together, employed 465 workers, their supplies for the year amounting in value to £89,140, of which total over one-third was for the English federation.

4 The story told in this chapter and the last includes no great controversy between co-operators. Even the boot works in their later history aroused no conflict of principles at Co-operative Congresses. Except the loud echoes from the eighties that were heard at the national co-operative festivals (to which reference will be made later) there were no partisan alarms. Yet the old issue of producer and consumer was no less alive. We have seen it rising again under a new form. The conflicts at Leicester and elsewhere were its creation. Abandoning the idea which the Christian Socialists championed, the idea of emancipation by self-governing workshops, the spirit of the revolt of labour has passed into militant trades unionism, and into ideals of justice for labour strongly upheld. Rediscovering the labour idealism in co-operative history, this renascent spirit demands from the C.W.S. a special treatment of labour. It asks that the C.W.S. shall become part of the labour movement, a lever in the hands of labour for raising working conditions. But when this point is pressed a reply becomes inevitable. It was made by the C.W.S. officials when they, as responsible for the commercial success of their departments, protested against obstacles which were not put before their private competitors. Such a reply was not inspired by idealism. On the contrary, it was accounted as low and unworthy. Certainly it surrendered one ancient dream, the dream of the co-operative movement becoming self-sufficient, and making its own miniature paradise, its "home colony," within the howling wilderness of the world. And yet it was a reply pointing toward a larger future for co-operation, and one that might also be a nobler future.

There is a possible idealism toward which the co-operative movement always has been blindly driven—to which it does not yet seem

A New Idealism.

to have opened its eyes. Searching for a means of turning common metals into gold, the alchemists discovered chemistry. Looking toward the Owenite ideal of self-employment, the new pioneers perceived the consumer, and dividend on purchases, and the practicable idea of public self-supply. Contesting the disintegrating schemes of independent workshops, and building up their alternative, the federal co-operators discerned the natural unity and essential democracy of a consumers' movement. They realised that the consumers' interest was the first, the public interest. These were steps all leading on. The official realisation that the power and success of the co-operative movement depended upon its having something like an equal freedom to enter the commercial field, was a next step. Although expressed in commercial terms, and so misinterpreted by the idealists, it meant that the C.W.S., at any rate, should be true to its own purpose, to the mission inherited from the pioneers and the federal leaders. If another road were to be taken, leading to the consumer becoming subordinate to the producer, and co-operation a mere detail in the labour movement, it would be a calamity for both parties. An "aristocracy" of organised purchasers benevolently spending its strength within the little circle of its own employees, would be a river drying up in sands. The not unfriendly demand that C.W.S. industry should have a reasonably equal freedom meant co-operation realising its own dignity as a separate, albeit complementary movement. It meant the strengthening of co-operation, not merely to become a model yet perpetually confined employer, but to win against the mastery of capitalism in a contest for the control of industry by an ever-widening body of consumers, that is to say, by a democratic public, the "body politic."

Economically speaking, the powers of producing and consuming are to the normal human being as left hands and right. Or, better still, the hands are the producers, and the mouth that eats and the eyes that see the beauty of the world are consuming powers, and those that feed the desires of the heart by which the hands are governed. Properly there should be no conflict between such natural faculties; or between the labour movement and the co-operative. But if the sense of unity is lost, and the hands take bread out of the mouth, or the limbs will not carry the eyes to their boon, then a counter action is needed. And in the present world there is little sense of unity. Poetry and art, philosophy and religion already inspire and find inspiration in the cause of labour, but exclude

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the other side of the matter altogether. Labour has been exalted, but no artist has seen an idealisation of the consumer in the baby at the breast, or a man on horseback, or a poet warming "both hands at the fire of life." Press and pulpit have awakened to the labour movement; it has become almost a virtue that the consumer should be sacrificed and that things should not be cheap. One ought almost to apologise in getting air for nothing and pure water (where it is a public provision) for next to nothing. In this unreflecting state of the world the Cinderella of the idealists' household can only act in self-defence. No body of consumers could "capture" the labour movement, for (quite rightly) its inner circles are open only to those who have worked in some particular organised trade. But in the consumers' movement all doors stand open. The delegate cannot be asked whether he comes to defend or exploit. The newspaper **writers and critics** who come down to co-operation from above never can be required to give their numbers, and quote their last quarter's purchases. It remains for the consumers' movement itself to defend itself. Of the people and for the people, it does not oppose the labour movement; it is in hearty sympathy. But it knows that a true social order cannot be reached through the business of wage-earning only—that there is at least another way of approach, deserving an equal respect. The consideration that we have seen so frequently forthcoming from the co-operative side must be returned. Then a possibility may open for a better union of the people's forces for the people's good. Indeed, since man does not live by bread alone, whether by making it or distributing and eating it, plainly there are many energies to be reckoned with, spiritual, artistic, scientific, educational, as necessitated by the complexity of that desired end, a full, free, human life for all—a fact which leaves the consumers' movement, basing itself upon human needs and uses, theoretically still in the better position for becoming a democratic rallying point and centre of union.

CHAPTER XXV.

CREAMERIES AND CONTROVERSIES.

Main Articles of Supply—Sugar, Taxes on Food, and the Cost of Living—Butter and Butter Prices—The Creamery Movement in Ireland—First Co-operative Creameries—Irish Producers and British Consumers—The C.W.S. Irish Creameries—The Result of a Campaign—English Creameries—Brislington Butter Factory—Bacon—Tralee to Trafford Park—"Butchering the Members"—Fellmongering—North Wales Quarries—Echoes of an Old Controversy—And the Moral of it—Years 1884-1913.

HOSTILE critics of co-operative wares generally concede the virtues of the main articles of supply—flour, butter, bacon, cheese, sugar, and tea. As providers of these staples the C.W.S. by 1914 will have enjoyed fifty years' experience. Some items of this merchandise already have had attention, especially where manufacturing has followed upon buying and selling. Others hardly have received their share. Cheese, for example; a chapter narrating the homely history of this food since first the C.W.S. handled it, and the development of C.W.S. relations with the farmers producing it in the Yorkshire dales, Cheshire, the Midlands, Somerset, and elsewhere, might lead us along an interesting bypath. Time was when your smallest literary man would have scorned so lowly a subject. To-day there are writers, not journalists but men of letters, who take a humbled and therefore a larger view. They can find healthier subjects than the intrigues of princes. They discover dramatic material in disputes incidental to the making up of tin plates, or the price of coal, or the wiles of tallymen; potters' banks and shop counters yield them literature. And certainly the co-operative cheese trade would be worth recording in detail, were there not many such byways and a reasonable limit to a jubilee history.

The sugar trade, however, demands at least a paragraph. This country is the largest sugar-consuming country in the world, managing to dispose of 86 pounds weight for each inhabitant every year. The average co-operative consumption it is not easy to estimate. The C.W.S. sugar sales direct to societies only, exclusive

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of purchases for use in production, have grown from 471,774 cwts. in 1880 to 3,084,540 cwts. in 1912. In other words, the Wholesale Society has organised the buying, through one channel, of an amount of sugar equal to one pound every week for $6\frac{1}{2}$ million people, or one-sixth of the population of England and Wales. Such sales naturally have suggested the further step of refining. This was considered a few years ago, but, for the time being, with negative results. It was evident that if refining were to be done at all it must be on a great scale, and at more than one centre. This, in any case, would make for caution; and there remained a further point. So large a buyer has the respect of the refineries of the world, and, with possible sources of supply in different countries, can afford to risk what is at present the remote danger of a sugar trust. As a commodity sugar fluctuates in price, sometimes violently. The wholesale price at one time in March, 1912, exceeded that of a particular week in the following November by one-third. These changes, of course, are watched, tabulated, and reported upon to the C.W.S. Committee by the buyers acting on behalf of the co-operative consumers. . . . This professional watchfulness over prices as they affect the two million co-operative housewives has necessarily taken account of the duties upon sugar. In 1900 there was no impost. In 1901 the war tax of 4s. 2d. per cwt. was levied, and in 1908 was maintained at 1s. 10d. per cwt. The entire amount paid since 1901 by the English and Scottish Wholesale Societies under this head, at the end of December, 1912, had reached the total of £6,308,042; and the accumulating figures from time to time have been put before different Chancellors of the Exchequer. This very mild form of political action has contained no new principle, for in 1889 a paper upon "The Proposed Sugar Convention: From a Consumer's Point of View" was read by the then sugar buyer, Mr. I. Tweedale. The proposal was embodied in a Bill introduced into the House of Commons by Baron de Worms, and the protest made was so effective that Lord (then Mr. John) Morley, speaking at Rochdale, credited the co-operative movement with having decided the case against the Bill.

Occasion has warranted, also, the compilation of statistics bearing upon the cost of living. In February, 1913, such a comparison was made between 1898 and different years up to 1912. Bacon and hams, butter, cheese, flour, lard, meal, sugar, and tea formed the basis of the inquiry, and the statistics revealed an increase of 16·33 per cent over 1898. Reduced to homely terms, in the shape of a

Domesticities and Parliament.

definite "average weekly family grocery order," the figures proved that on a basis of net wholesale prices a sovereign would buy 80·81lbs. weight in 1898, but only 69·46lbs. in 1912—and this exclusive of house coal, the pit-mouth price of which in 1912 was 48 per cent more than in 1898. Rich or well-to-do consumers, as most of the many leaders of the nation happen to be, in their own pockets can be little affected by such figures. For them to be willing cheerfully to pay more means very little indeed. Too many cushions are between them and a sacrifice. But to the consumers whom the co-operative movement represents any increase in the cost of necessaries means at least something quite tangible. The tea tax, for example, falling equally on all qualities of tea, involves a much greater proportionate charge upon the purchases of the very poor. It has also the effect of so raising prices that the coarser and more harmful kinds of tea are drunk by great numbers of people who otherwise could afford a better and milder leaf. A consumers' movement, co-operation stands for the quality of its supplies. On this ground, therefore, as well as in the interests of prices, the movement can never regard as a purely political and outside matter any serious proposal for the taxation of foods. A Parliamentary Committee of the Co-operative Union existed from before 1892, in which year it was reconstituted on a representative basis. In 1897 it considered the question of Parliamentary representation jointly with sub-committees of the two Wholesale Societies; in 1900 it became a joint committee authorised by Congress; and in 1901 it settled down to work on a basis of four representatives from the Co-operative Union and four from each of the Wholesale Societies. When the "bread tax" was imposed in 1902 it shared in the successful agitation for repeal, and a similar stand was maintained by the Parliamentary Committee upon the revival by Mr. Chamberlain of the protectionist policy.

The question of price has affected the butter trade of the C.W.S. We have seen that in the early days of the Society the co-operative consumers had to put up with high prices each winter, and a great scarcity of all except very salt Irish butter. Gradually the sources of supply extended until France, Holland, Germany, and America were contributing. Nowadays, while the last-named country has ceased to supply, Sweden, Finland, Australia, New Zealand, the Argentine, and Siberia follow upon the pre-eminent Denmark. The early buying centres in Ireland, the Continental shipments, and the Danish and Swedish extensions marked the sympathetic changes in

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the organisation of the C.W.S. Enters, now, the matter of prices. Contrary to what many of us have imagined, the highest figures do not yet reach the extreme points of the winter butter prices of thirty years ago. But the general average remains higher. The Danish butter makers are organised as producers, and their admirably intelligent combinations give them the full advantage of the market; moreover, they have an increasing body of German consumers to play off against the British. Danish and Swedish butters, so far as co-operators are concerned, already are confined to the generally better-paid industrial populations of the northern half of England, the southern half consuming Irish, French, Dutch, Colonial, and Siberian produce. Margarine, meanwhile, with sales that rise and fall in direct ratio to the price of butter, has entered many a co-operative store where previously it was unknown. A still greater popularisation has taken place outside. During 1912 the total figures for the country showed a substantial falling off in butter imports, but its cheap rival increased heavily, both in regard to imports and home manufactures. Affected by this general movement, the Scottish Wholesale Society some years ago undertook the manufacture of margarine, and in 1913 the sister federation is about to follow suit.

When the C.W.S. sought to provide the English co-operative consumer with a British-made alternative equal in quality to Danish butter, the Society was charged with desiring to make of the Irish "a stick to beat the Danes." Irishmen have not the character of being averse to sticks and beatings, but in this case they wanted for themselves as producers the full rewards of victory. Toward this attitude the C.W.S. showed more conciliation than earned it thanks. However, this is anticipating.

About 1880 the mild butter scientifically made by the State-instructed dairymen of Denmark was ousting Irish salt butter at one end of the scale, while the new margarines or "butterines" attacked it from below. Canon Bagot in Ireland, seeing where the faults of the Irish system lay, sought to arouse the Irish producers, and himself started an elementary form of creamery in 1884. A more developed butter-making on the Danish model, but privately instituted, quickly followed. To help co-operation generally in Ireland, an Irish Co-operative Aid Association was formed in July, 1888, with Mr. Ben Jones (at that time the C.W.S. head buyer in London) as its treasurer. The then C.W.S. chairman, J. T. W. Mitchell, was elected to the committee of the association very soon

The First C.W.S. Creamery.

afterwards; while in September, 1888, the Hon. (now Sir) Horace Plunkett and Mr. R. A. Anderson joined forces. The Irish Aid Association was then replaced by an Irish Section of the Co-operative Union, with the two last-named gentlemen as its chairman and secretary. By 1894 thirty-three co-operative dairy societies and thirteen retail stores had been formed under the fostering of the new section. . . . The year 1894 also saw the commencement of the Irish Agricultural Organisation Society, with Mr. Plunkett in the chair and Mr. Anderson as secretary; while a butter-selling federation of the co-operative dairy societies, which had existed on paper since 1891, definitely appeared in public as the Irish Co-operative Agency Society in 1893.

Interested in Irish butter supplies since 1866, well in touch with Danish butter makers, and allied with the movement for furthering co-operation in Ireland, the C.W.S. had every reason for encouraging the Irish butter producers. Its friendliness soon was proved. The first co-operative dairy society in Ireland was registered in 1889 as the Dromcollogher Co-operative Dairy Factory Society. Amongst its promoters was the late Mr. W. L. Stokes, at that time the C.W.S. butter buyer in Limerick—and at Mr. Stokes' suggestion the rules were drawn up by Mr. J. C. Gray. The C.W.S. Quarterly Meetings of December, 1889, endorsed the recommendation of the Committee to take up ten £1 shares in this first dairy society, while a year later the Wholesale Society became a shareholder to the same extent in two similar productive efforts. One of these was the Castlemahon Creamery in the Limerick district. This society struggled on for two years and then fell almost into its grave. The trouble was brought about, said Mr. R. A. Anderson, through the members "preferring politics to business." "The parties being about equally divided," said Mr. Pumphrey, "when one side was managing the creamery the other side refused to send their milk, and *vice versa*." In desperation, the committee and shareholders advertised their premises as to let. The Wholesale Society at this time was not anxious to engage in this form of production. The Committee had deputed one of its members (Mr. Hibbert), together with the chief butter buyer (Mr. Pearson) to consider this as a possible departure, and the report had been that it was better for the farmers to form co-operative creameries. It was only to save the enterprise that the C.W.S. now became tenants of Castlemahon for a year. The Wholesale Society added a new separator, worked the business successfully, and then offered to restore the creamery to the Dairy

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Society. The latter body declined, and the C.W.S. continued in occupation. Then the Dairy Society's creditors pressed for payment. Bailiffs were put in, and the creamery again advertised. And at this point the C.W.S. bought the premises outright, paying a sum (£850) sufficient to satisfy the creditors. . . . Such was the story of Castlemahon, as told to the Co-operative Congress of 1895 mainly by Mr. Pumphrey, fresh from a visit to the creamery. "The Wholesale had acted splendidly," said Judge Hughes, "up to a certain point."

The point of divergence was that the C.W.S. went on to create an auxiliary to Castlemahon and also to erect a new creamery near Listowel. And this meant working out the federal co-operative principle of associated consumers controlling their sources of supply. But the principle of the new Irish Agricultural Organisation Society was control by the Irish producers. And the leaders of the I.A.O.S. were quick to see the difference. "They had no quarrel with the Wholesale Society," Mr. Anderson told the Huddersfield Co-operative Congress of 1895, "except on a question of principle." Men have been sent to the stake before now precisely upon such an exception. However, the Huddersfield Congress again was asked to show its exclusive sympathy with the idea of co-operation by producers. Mr. Horace Plunkett moved and Mr. Anderson seconded an addition to the report from the Irish Section of the Co-operative Union, deprecating the acquiring or establishing of creameries by the C.W.S. in Ireland. But, although supported by Mr. H. W. Wolff, Mr. Henry Vivian, Mr. E. O. Greening, Mr. Swallow (of Leeds), and other English advocates of copartnership principles, the motion was lost. The immediate result amounted to a secession from the Co-operative Union. The Irish Section held only one other meeting, on July 10th, 1895, and it met simply to pass a resolution of practical resignation, "in view of the apparent approval by Congress of the action of the Wholesale." And at the next Congress the section was lamented as "practically lost." What remained of it was added to the Scottish division. Mr. Lockhead, of Edinburgh, a friend of both schools, who had visited Ireland for the Union in this connection, also said "they had to admit that co-operation had only been promoted on one line."

Clear-headed and unsentimental (like many Irishmen), the leaders of the I.A.O.S., at any rate, saw their course in the interests of the producer, and meant to take it. This was abundantly shown by the formation of the Irish Co-operative Agency Society in 1893.

First Cost or Last Price?

It is curious that, while Castlemahon was a bone of contention, the Agency Society was not mentioned in the Congresses of the time. Yet it constituted a much more violent form of "overlapping." A federation of co-operative dairy societies for selling butter in England, with its first headquarters fixed at Manchester, it made, or would have made, all the C.W.S. organisations in Ireland superfluous, so far as buying from co-operative creameries was concerned. It neatly reversed the business of the consumer going to the producer to buy at the first cost, by substituting a going to the consumer to secure the last price. Indeed, an I.A.O.S. leaflet quoted in the text book *Industrial Co-operation* (p. 158) precisely hoped for a federation "so effective that it will practically establish a 'corner' in Irish creamery butter on behalf of the united producers, and control the market for that commodity." Thus the intention was no secret, and in fairness to the promoters it should be said that the agency was not begun without regard to the C.W.S. Toward the end of 1891 a draft of the proposed rules was sent to Balloon Street by Mr. Plunkett and Mr. Anderson, together with certain suggestions for C.W.S. participation; and in January, 1892, the whole question was discussed at a meeting of the C.W.S. Grocery Committee, plus Mr. Pearson (the then butter buyer), and the heads of the C.W.S. Irish dépôts. At this meeting Mr. Stokes spoke in favour of the new organisation, stating that he had been invited "to undertake this agency;" but the C.W.S. Committee, while not questioning the right of the promoters "to take what course they think best for the promotion of the Irish agricultural interest," were averse to linking the Wholesale Society with the new movement. The chairman of the meeting (Mr. T. Bland) described the proposed agency as "practically a syndicate," and asked Mr. Stokes "if it had occurred to him that if this scheme succeeded his calling in connection with the Wholesale would be gone." "If the society (that is to say, the agency) had been formed to buy foodstuffs, coal, machinery, &c., solely, as mentioned in the circular," said Mr. Hibbert, "it would be a different thing, but as it was he was of opinion it would come in conflict with those already in the trade." This did not put the agency necessarily in the wrong, for as much might have been said against the store movement itself, but it indicated the difficulty there would be in reconciling two such opposite modes of procedure. In the economic world at large the producer and the consumer have sufficient to do for a long time in reducing to his proper proportions the capitalist who thrives at the expense of both. Within

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co-operative organisations the capitalist already is subdued, wherefore emerges there the problems of a more advanced state. Such problems, however, the Irish agricultural organisers at that period simplified for themselves by troubling about one set of factors only. In Sir Horace Plunkett's words, they "nowhere advised or encouraged the founding of co-operative stores on the English plan." It was, at any rate, a plain and unmistakable position.

The C.W.S., however, was not so unembarrassed. There was no Irish C.W.S. to whom the English (and Welsh) federation could have handed over the entire question, as the interests of consumers and producers in Scotland are left to the Scottish Wholesale Society. Yet the western isle was not quite innocent of a store movement. The Belfast Society, which has since grown so great, was in existence, and other societies elsewhere. But this Irish distributive movement was far from being at the stage of federating, and conducting creameries, and supplying Glasgow and Manchester. Therefore, in the interests of the self-supply of both English and Irish consumers, the C.W.S., in company with the S.C.W.S. in the North, was, for the time being at any rate, very naturally and properly at work in Ireland. Moreover, that strain of philanthropy, that passion for doing good, which so many logical Irish and Continental critics of the illogical English are so ready to lampoon as native hypocrisy, was genuinely present in the leaders of the C.W.S. A very large part of their motive was to help a distressed country. Of this there can be no question. The conviction was uttered as strongly in private as in public; it was borne out by a hundred facts, and now and then was admitted in Ireland. The report of the I.A.O.S. for 1901 said:—

It is right to state that the objects of the C.W.S. in starting creameries in Ireland appear to have been in the first instance to assist the Irish farmer by developing his dairy business, and, of course, incidentally to supply themselves with a certain quantity of butter of the quality which their customers required.

Yet, under the special circumstances of an undeveloped country, that which was a democracy of consumers in England, where any C.W.S. employee or supplier can become enfranchised with the rest by joining a co-operative store never far away, could not be other than a kind of imperialism in the West of Ireland. Mr. Plunkett, therefore, had just this fragment of excuse when at the Congress of 1895 he spoke of the C.W.S. creameries as being practically *proprietary* instead of *co-operative*. It was but a fragment, for

“Exploiters” and “Adventurers.”

which the C.W.S. itself was not responsible; yet, mixed with some misunderstanding and a good deal of pugnacity, it afterwards became in other hands a most explosive material. The I.A.O.S. (which for some years enjoyed a Government subsidy) are the publishers of the *Irish Homestead*. Written with imagination, vigour, and spirit, its notes and leaders were (and are) excellent reading. No one could doubt the journal's stimulating purpose of good for the Irish agricultural producer, and for Irish literature, arts, and crafts also. But during many years it was relentless towards the C.W.S. Limited companies had their creameries by the dozen and passed unscathed. English multiple shop firms, in keen competition with co-operative stores, secured a hold in Ireland and sat down in comparative peace. The special attack was reserved for the C.W.S.; they were “the exploiters”—they, the careful and homely co-operators, were “the adventurers.” They, the millions of English, Welsh, and Irish consumers, formed a right body to be whipped for capitalist misdeeds. They, as represented by the C.W.S., were especially to be driven out of dairy-farming in Ireland!

Extreme republicans, it is said, are logically bound to hate a good king much more than a bad one. A similar necessity must have inspired the opposition to the C.W.S., for it was by popular invitation that the Wholesale Society continued to extend its Irish dominions. The advance was most marked in the Limerick area under Mr. Stokes. Petitions frequently were received from farmers asking for C.W.S. creameries to be opened in this or that district. These petitions still are on file at Balloon Street. Usually the names of the signatories cover three or four sheets of foolscap. Each person claimed the ownership of from two to perhaps twenty cows, and all pledged themselves to send in the milk should the creamery be erected. When the C.W.S. suggested the farmers' own co-operation the petitioners urged their lack of capital and mutual distrust. Father Finlay, of the I.A.O.S. (as quoted by Mr. McGuffin in his Irish conference paper of October, 1908), has told—with disgust—of tenant farmers taking a further step. Almost from an I.A.O.S. meeting they had gone to their landlord, begging him to grant a site for a C.W.S. creamery. Because of the appeals from the farmers, therefore, more and more creameries were opened. In 1902 the Society possessed forty-one main creameries and fifty-two auxiliaries, representing an expenditure in land, buildings, and fixtures of over £100,000. In that year more than sixteen million gallons of milk were received. To their constituents

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at home the Committee from time to time explained their policy. Where the farmers showed themselves able successfully to form and work a co-operative dairy society they would not bar the way. But in the absence of independent co-operative effort they claimed the modest right of receiving milk, separating the cream, and making butter. And at the C.W.S. Quarterly Meetings the extension of the creamery business, in its earlier stages, was rarely or never questioned. The accounts were not discussed at all, for the reason that returns from the creameries did not appear separately until after 1903. In March of that year Mr. T. Redfearn raised the question, and on the motion of the Workington Industrial Society later the Committee agreed to furnish special returns. But until shortly before then there would have been little in the figures to discuss. Small absolute profits arose in 1897 and 1898; then came losses of comparatively small significance, since they amounted to very much less than the fixed charges for interest and depreciation.

It was not until 1902 that the heavier deficits became absolute. From that time onward to 1909 there was a series of losses that sounded formidable in round figures. But again it should be said that, taken altogether, they amounted to less than the fixed charges already named. For the ill results the absence of winter dairying was put forward as the chief reason. The cessation of milk supplies in winter necessitated, of course, the locking up of premises just when prices were at their highest. Attempts were made to overcome this difficulty, even to the point of keeping creameries open ready to receive milk throughout a winter, but with rather costly results. Another cause of loss arose from the failure of milk supplies, either from bad seasons or other causes. In this connection a system of loans to farmers grew up after the first two years. Scanty supplies would be attributed to loss or failure of stock, and a loan would be suggested enabling the supplier to buy more cows. Most lenders of money are suspect in the land of the gombeen-man; but these loans were freely granted at a moderate interest—indeed, with less generosity on the part of the management the “exploiting” would not have been so financially ineffective.

The chief condition of lending was that borrowers should pledge their milk in repayment. The money itself came back in course of time to the full total of the very large sum advanced—nearly half a million sterling—and with some proportion of interest in addition. But the coming in of the milk according to expectations, or even its

“Too Much Like a Butter Trust.”

coming in at all, was a different matter. The price of supplies was to rise or fall according to the price of butter, and the terms were satisfactory when the price was high. At other times the store member who goes bargain-hunting might have been matched in the persons of those farmers who took the trouble to send milk to a competitive creamery a mile or two away for the sake of a real or fancied advantage. Or a personal difference with a creamery manager would act more disastrously than any economic cause. Moreover, the C.W.S. creameries had to reckon with the special denunciation of the Wholesale Society as an exploiter in disguise, and with the constant appeal against “the foreigner.” Mrs. J. R. Green and other historians have made us ashamed of the record of English monarchs and rulers in Ireland. Such accounts help us to understand and even sympathise with militant nationalism. Still it seemed rather an unfair result of the centuries that the C.W.S. creameries should be starved of their due supplies of milk. But for one reason or another the C.W.S. frequently had to receive its payments in cash. So to offer them was always against the bond; yet the C.W.S. would take the money, although silver and gold were less desirable than plenty of butter cream. The resultant losses were discussed at Quarterly Meetings and defended, hopefully until 1908, but after then with a sense of having suffered the common experience of those Englishmen who seek to pave the bogs of Ireland with good intentions.

We must now return to the years immediately after 1895, and the friendly quarrel over principle. At the Peterborough Congress of 1898 an attack upon the C.W.S. was made by the representative of the I.A.O.S. It aroused a spirited defence, and a retort that the Irish movement favoured landlordism and property owners. Later, it was said that the C.W.S. were prepared to come to an understanding. At Liverpool, in the following year, the C.W.S. was again attacked and again defended; but at Cardiff, in 1900, “reasonable prospects” were reported of the differences being “amicably adjusted.” A conference of the committees of the I.A.O.S., the C.W.S., and the Scottish Wholesale, with representatives of the Co-operative Union, already had met at Liverpool in January of that year. Mr. Plunkett then had made a very conciliatory speech, appreciative of the C.W.S., and disavowing all intention in the founding of the Agency Society of it being a rival to the C.W.S. purchasing depôts in Ireland. Schemes were drawn up for reconciling consumer and producer, and were seriously considered by

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both sides. The I.A.O.S. proposed a sort of partnership between the Agency and the C.W.S. But, a year later, this idea was sunk in a larger one, that of combining all Irish creameries—independent, C.W.S., and as far as possible proprietary—under one corporation, in which the Agency Society should be merged. A conference, similar to that at Liverpool, was held in Dublin, to hear the plan expounded. Mr. Plunkett was in the chair, and he commented on the new and friendly relations then existing between the C.W.S. and the I.A.O.S. But, after considering the scheme with the Scottish Society, the C.W.S. declined to enter what seemed too much like a butter trust. Very soon afterwards the friction recommenced; and it continued practically until 1908, an I.A.O.S. and C.W.S. conference in 1904 proving abortive. The latter meeting was arranged to discuss the sale of C.W.S. creameries to farmers' co-operative societies, and it broke down because the I.A.O.S. wished to select a creamery here or there, rather than arrange for a complete if gradual transfer. The same difficulty still blocked the way in 1907.

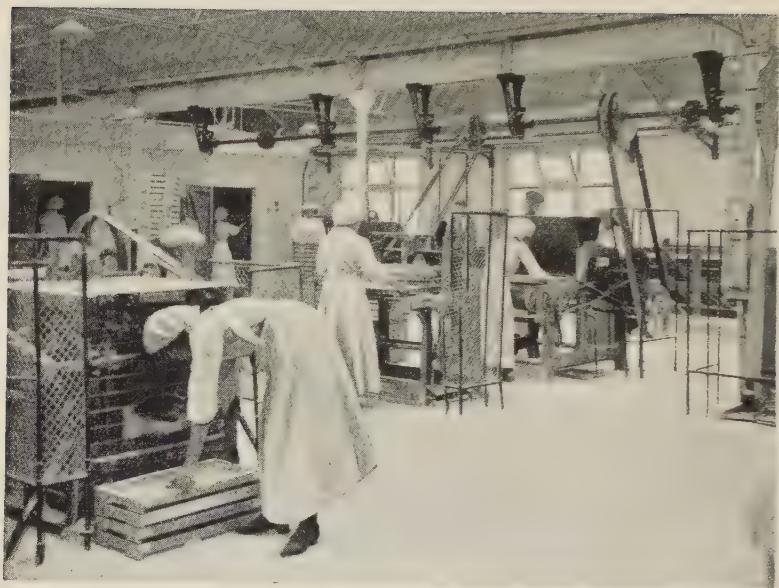
Nevertheless, in the year 1908, a new effort for peace was made by Mr. H. Barbour, of Lisburn, and the leaders of co-operative distribution in the North of Ireland, who, as Irish co-operators on excellent terms with the C.W.S., naturally felt themselves entitled to move. All along the Wholesale Society had made it perfectly clear that it was willing not only to sell the creameries to a society of the farmer suppliers in each case, but to leave a balance in the form of a mortgage on the creamery, repayable by instalments. This formed a basis for fresh conferences at Newry on the 3rd of October, 1908, and at Dublin on the 16th of the January following. It was stated at the latter meeting that the C.W.S. recognised the Irish farmers as the proper persons to organise and control co-operative dairying; and every possible point in favour of a transfer was conceded. For the settlement of particular terms a scheme of arbitration was arranged. It being evident, however, that to dispose of all the creameries in this way would be a very long and tedious business, even if it could be effected at all, negotiations also were opened with private owners. At the same time there was still to be a preference in favour of the societies organised by the I.A.O.S. Altogether, up to the end of 1912, thirty-four main creameries and fifty-one auxiliaries passed out of C.W.S. hands. About one-third of these went to various societies—farmers, creamery, dairy, or agricultural—and two-thirds to proprietors. Whether this result of



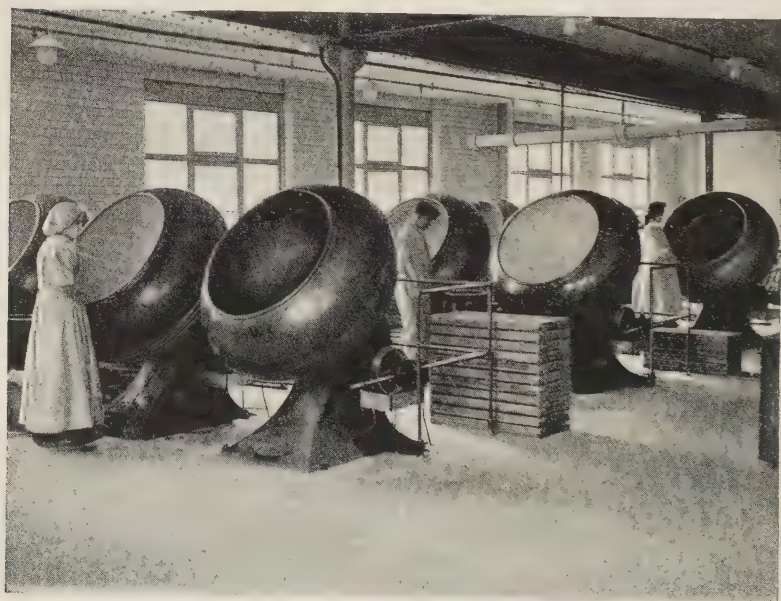
THE C.W.S. ESBJERG BUTTER DEPÔT.



THE C.W.S. BRISLINGTON BUTTER FACTORY, NEAR BRISTOL.



THE C.W.S. SILVERTOWN GROCERY PRODUCTIVE FACTORY:
A CONFECTIONERY ROOM.



THE C.W.S. SILVERTOWN GROCERY PRODUCTIVE FACTORY:
ANOTHER CONFECTIONERY DEPARTMENT.

Peace and the Price of it.

the campaign for expulsion was satisfactory to the militants of the I.A.O.S. we have no means of knowing; but the Wholesale Society now was not sorry to end its essay in philanthropic commerce even on these terms. Although the total of loss incurred since the start had been reduced a little by the properties realising rather more than their nominal or book value, it still remained a large sum. Since the Society, in realising, lost all the benefit that might have accrued from the steady depreciation, the amount under this head, as well as the interest charge which the business had failed to pay, was to be counted as lost. Altogether, with other expenses not directly charged against the creameries, the Wholesale Society was left the poorer by a little more than £100,000. Had it been an association for butter-supplying only the Irish experience easily might have been its ruin. On the other hand, if the C.W.S. had felt itself free to act in Ireland like a private company, or even in the interests of English butter buyers purely, ultimately it might very well have retrieved its losses. As it was the Society practically went out of the business (for a few creameries still remain) just at a time when advancing butter prices, with the working of the land purchase system and other reforms in Ireland, offered a strong commercial inducement to hold on.

The wave of enthusiasm for Irish creameries was attended by a ripple of desire for a like movement in England. Amidst general congratulations, in September, 1896, the Committee obtained power to open six creameries on this side of the Channel, as suitable opportunities arose. From Devon to Cumberland suggestions of sites were offered; and a deputation from the C.W.S. met a large meeting of farmers at Lazonby, in the northern county. At Banbury, as the result of "a unanimous request from the farmers of the district," a plot of land was bought from the local society, and a creamery erected. In the following spring the old Oxfordshire borough had the opportunity of adding to the fame won by its cakes by its "Banbury Cross" butter. But the Banbury farmers preferred the solid advantage of selling their milk at urban prices. A town itself, and supplied with newly-increased railway facilities, Banbury soon had no surplus for butter making. In June the Committee foreshadowed a failure of the enterprise on account of the prohibitive cost of milk. Before December the experiment was ended. The remaining five creameries were kept discreetly out of existence. Afterwards an attempt was made to use the Banbury premises as a shirt factory; but this also proved a forlorn hope. The property

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then remained derelict until, in December, 1906, the Committee reported it as sold for £550 to the Banbury Co-operative Society. . . . There are now dairy societies in existence in England which are also trading societies and in membership with the C.W.S. There is also an English Agricultural Organisation Society; and ordinary retail co-operative societies collect produce from their members and sell through the C.W.S., notably the Wickham Market Society in regard to eggs. And as a result of Congress discussions and resolutions, conferences toward a mutual working have been held between the Committee and business heads of the C.W.S., Mr. Nugent Harris, and other representatives of the English agricultural co-operative movement; so far, however, with minor effect.

An important C.W.S. butter-supplying centre needs to be mentioned in the C.W.S. Brislington Butter Factory, just within the eastern boundary of the city of Bristol. In September, 1903, the purchase was announced of a plot of freehold land at Brislington, three-quarters of an acre, for £750, on which to erect a butter-blending factory. The business of such a factory, of course, is to receive butters from many different sources, and blend them mainly to produce tablets of various qualities, but each quality of a uniform standard. Cream is packed also, and lactic cheese supplied. Commencing under the management of Mr. O. Thomas in 1904, the factory was extended and the plant duplicated in 1911, while the trade has grown from about £24,000 to nearly £200,000 annually.

In 1904 the *Limerick Leader* commented upon the Irish butter purchases as equalling "actually one-half the value of the total amount of butter produced in Ireland." The same newspaper further noted the £120,000 spent during the previous year upon Irish eggs, and the extension of the C.W.S. Bacon Factory at Tralee. Here, in the centre of the pig-raising district of Kerry, the bacon factory began in September, 1901. The original dépôt at Tralee was built in 1874, and there was a further purchase of property in 1896. Egg packing is carried on in the dépôt, and the two-storey bacon factory conveniently adjoins. Five hundred pigs weekly was the capacity in 1901, and that number now has been doubled. Lard and sausage meat are produced as well as bacon. Tom Hood, answering a call to awake and glory in a sunrise, professed no care "for faint streaks in the least—except in bacon!" He would have been interested to learn of newer generations finding his taste old-fashioned. It is not that modern consumers prefer poetry, but that they choose thicker

A Model Bacon Factory.

streaks. Bacon must be lean and mild. The heavily-salted, four months old fat meat of forty years ago has been driven almost entirely out of the market. The little nation of scientific and democratic agricultural producers again has taken the chief lead, and of late has reaped the advantage of a greatly increased international demand, with much higher prices. While erecting the factories in Denmark, of which some mention was made in a previous chapter, the C.W.S. at Tralee has endeavoured to encourage the Irish substitute for the declining American article. From Tralee the cured bacon goes to the C.W.S. premises at Trafford Wharf, Manchester, and at London, Bristol, Northampton, and Newcastle. The C.W.S. Bacon Factory at Trafford Wharf was opened in June, 1906. It does nothing more than provide for the washing, cutting, smoking, and rolling of bacon and the boiling of hams, but the provision is so modern, clean, and efficient that the factory has been inspected by parties of Danes and others as a model. The entire C.W.S. establishment at Trafford Wharf—transport warehouse, bacon factory, and (recently) repair and general engineering works—found a place there as the result of a purchase announced in June, 1903. The construction of the Ship Canal was stoutly opposed by the late Sir Humphrey de Trafford, whose demesne near the Manchester terminus had been undisturbed, it was said, since the Conquest. After the opening, about 1896, the thousand acres and more of Trafford Park came into the market. The city fathers were moving slowly in the direction of purchase, when the once celebrated E. T. Hooley stepped in, and a unique opportunity was lost to the municipality. In 1903 the C.W.S. became possessed of Trafford Wharf and a share of the Trafford Estate without risking any interception of the kind. The delegates already had approved the idea by sanctioning a purchase of land near the Salford Docks, but the Committee abandoned the Salford ground and agreed to take the Trafford land instead before making its intentions known. Some 13,500 square yards of freehold and 3,000 of leasehold, including wharf and warehouse equipped with electric cranes, constituted the whole, the price being £49,500. To this purchase—which preceded the later buying of the Sun Mills—the delegates readily agreed.

Interested in the products of domestic animals, and desiring to aid retail societies in the sometimes difficult business of their butchery departments, the Wholesale Society has frequently considered the question of cattle dealing. It was a matter of debate in 1870 and later. An advance has come in 1913 with the

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purchase of the Withgill Farm between Whalley and Clitheroe, in Lancashire, chiefly for cattle rearing; but previously the Society has undertaken more than a little cattle breeding at Roden, and a local cattle trade at Newcastle. In the *Co-operator*, about 1862, a Midland society was made to announce that "owing to the high price of meat on and after Monday next the committee will commence butchering the members." Not quite in this sense the C.W.S. has established dépôts at Manchester, Newcastle, Stockton-on-Tees, Leeds, and Beeston (Nottingham) for the collecting and the disposing of "our own" hides, skins, fat, tallow, and wool. The reason was stated in a *Wheatsheaf* article upon the C.W.S. Pontefract Fellmongering Works in the issue for May, 1912:—

As has so frequently been the case, the disadvantages under which retail societies laboured led to the starting of this department. Haphazard and unsatisfactory disposals of hides and skins by co-operative butcheries first of all led to C.W.S. hide and skin dépôts being established at various centres for the convenience of different districts. At a later date the auction sales at which these had to be sold passed into the hands of a ring, who, by not bidding against each other, reduced the auction to a mockery. The private mongers simply bought at their own prices. In the matter of "pelts," or sheep skins, the C.W.S. determined to have done with these methods, and therefore took over a private fellmongering establishment at Pontefract, which they have since extended in various directions, as the hide and skin collecting dépôts have been extended also. Hides still await equal attention, but probably their turn will come.

The Fellmongering Works, which, with the Hide and Skin Dépôts, is under the management of Mr. R. Ashton, commenced operations in February, 1909; and, besides serving the purposes already named, it produces bone meal, poultry food, and tallow.

The account of the forty or more productive enterprises already noticed has left unincluded the C.W.S. Silvertown Grocery Productive Works. This comprises all the various departments that have sprung from the simple packing of flour, rice, peas, and similar groceries at the London Branch. The building of a separate factory adjacent to the Flour Mill on the C.W.S. land at Silvertown (West Ham) had become necessary by 1904. At Silvertown the work extended from making sweets and jellies and developing a general manufacturing confectionery business to the supplying of tested seeds and seed potatoes. A big enlargement, completed toward the end of 1909, left the federation in possession of a factory employing nearly 400 workers. The Silvertown productive building has always been a favourite goal for parties of Southern co-operative

The Buried Treasure of Labour Value.

visitors; it is also a pride of the West Ham Corporation. Originally equipped to provide its own power, boilers and engines have since been turned out of doors in favour of municipal electric power supply, and this fact has been published with satisfaction by the enterprising West Ham Electricity Department. Since the death in harness of the former manager, Mr. Bottomley, the works has been under Mr. R. A. Wallis, of Pelaw.

Among productive beginnings hoped for but not yet realised there is the business of paper making. Great as is the co-operative demand for paper, the total has been sub-divided by its variety, and co-operators have been obliged to remain content with efficient mercantile paper and twine departments at the chief centres. The manufacture of lace curtains, Bradford dress stuffs, and sewing thread have remained outside the activities of the C.W.S. for similar reasons. Coal mining, touched upon in the account of the coal departments earlier in this book, has offered a similar obstacle. There is little doubt of the Bugle Horn and other failures being fully compensated for by successful C.W.S. collieries some day, but the Society necessarily must go warily. Even in a latter-day productive enterprise it has had evidence of the old futilities. The name of Penrhyn will long be remembered as that of the capitalist concerned in the most protracted of all labour disputes. Sharing the almost universal sympathy with the quarrymen, the co-operative movement liberally contributed to the strike funds. At the Co-operative Congress of 1903, held in Doncaster, the movement took a further step. It approved a proposal to form an industrial and provident society for working certain slate quarries at Bethesda "as a means of providing employment under equitable conditions for the slate workers of that district." Mr. Redfearn, of Heckmondwike, asked if there was trade to warrant the venture, and a very few delegates were with him; but, when the resolution was put, "the response" (said the official report) "was a thunderous and unanimous 'aye.'" Six months later the C.W.S. took up 1,000 £1 shares. Other co-operative societies, a few large trade unions, and a number of sympathetic public men also contributed capital. Three quarries at Bethesda were to be worked, and these had the good opinion of experts. Mr. J. C. Gray, Mr. Henry Vivian, Mr. Richard Bell, and other well-known co-operative and labour leaders were among the promoters. The quarrymen's Hampden became general manager; the accounts were put in safe hands; co-operative societies inserted clauses in their building contracts stipulating for the co-operative

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slates; and never did a hunt for buried treasure begin more ardently or with richer hopes of success. And at the end of 1905 a small profit was shown; "bright prospects" were announced by the *Co-operative News*; and more capital was raised on mortgage. But in the next year or two the success became "ultimate." Then the prospect faded altogether. In 1909 a liquidator was appointed; and on October 8th, 1910, in the Mitchell Memorial Hall, the final meeting was held. Of £40,000 raised at one time or another not more than £1,000 was left. Directors had foregone fees, officials had worked at half salaries, or voluntarily—all to no purpose. Landslips, defective productions, depressions of trade, and other causes were quoted, and a desperate search for a crumb of comfort produced this:—

The total wages paid at the quarries from the commencement of operations in 1903 to date had been about £46,000, and to this extent had the inhabitants of Bethesda and neighbourhood been benefited and the sentiment of the enterprise carried out.

In its rise and fall the North Wales Quarries Limited of 1903 followed fairly clearly the path of the Ouseburn Engine Works of 1871–5, as the latter reproduced some main features of the London Working Men's Associations of 1850, and these again virtually revived certain Owenite economic principles disproved about 1832. The co-operative movement might profit by a study of its failures.

We do not work to find ourselves employment; normally, our labours are governed by our needs. That is to say, desire precedes satisfaction, demand determines supply, consumption authorises production. Where co-operation has based itself upon original consumers, and served them and put them first, its production has been successful. Yet precisely for following this main road the C.W.S. suffered one long attack during the years 1898–1901.

The time-honoured form of co-operative advertising by exhibitions of productions has been greatly developed by the C.W.S. These displays have been made either directly by the federation in conjunction with its local member or jointly with the productive societies affiliated to the Co-operative Union under the Union auspices, and especially where the Wholesale Society has shown machinery in motion it has contributed the most popular part of the entire exhibition. At Keswick, in July, 1898, such a joint effort was made by the Northern Section of the Co-operative Union, the C.W.S. exhibiting and also giving £25. The Right Hon. Earl Grey was the speaker of the occasion. In his address he reproached

“Industrial Republicans” and the C.W.S.

the Wholesale Society for “old-world selfishness” and faithlessness to “the true ideals” in retaining the profits of production for “the whole body of consumers.” A month later the same charge was made from a still more conspicuous platform. At this period a National Co-operative Festival was held every year at the Crystal Palace. Originated by Mr. E. O. Greening, it was in charge of a National Festival Society. The festivals were meant to include a general exhibition and display of productions, music, flowers, speeches, ideas, and every fine and good thing in the co-operative world, and the C.W.S. at first took up exhibition space liberally. On the whole, until as “consumers” of festivities the participants were starved out by increased railway charges, the festivals embodied with fair success a distinctly bright and happy idea. But the opening speeches now became notoriously unfestive. At the 1898 gathering in August, surrounded by none but copartnership leaders, Earl Grey again “looked in vain” to the “distributive movement” and the C.W.S. for anything that would “stir the soul” and “lift men out of the narrow groove of selfishness.” Another month and the C.W.S. was increasing its annual grant to the Co-operative Union from £150 to £250. “I hope now,” said George Hawkins at London genially, “that members of the Board will not go about bemoaning the Wholesale.” The next festival, however, saw Mr. Gerald Balfour, then Chief Secretary for Ireland, won over to asserting on behalf of the copartnership movement that the C.W.S. “trusted labour much as a joint-stock company would.” His idea (he said) was “to substitute an industrial republic for an industrial monarchy.” In 1900 Earl Grey again spoke of “the antagonism” of the English Wholesale Society to profit-sharing; “whether it proceeded from selfishness, want of imagination, or futile aspiration towards a collectivist Utopia, he knew not.” The successor of the earl in 1901 was Sir (then the Hon.) Horace Plunkett. His criticism of the C.W.S. was more detailed and more fairly stated. Still he saw in an extension of federalism an “abandonment of the old ideals in favour of an uninspiring gross materialism.”

Uttered at a “national” festival in London from a platform shared by Messrs. Greening, Holyoake, Vivian, Maddison, Blandford, Aneurin Williams, and other prominent figures at Co-operative Congresses, these criticisms gained a wide publicity. The *Daily Chronicle* referred to the festival of 1900 as “the Co-operative Congress.” The *Times*, the *Daily News*, and other newspapers

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endorsed the animadversions in leading articles, so that press and platform were ranged against the Wholesale Society. In September, 1900, the C.W.S. replied by exhibiting "only where the Society's own productions and those of productive societies for which we are sole agents are shown." It is sometimes safer to hit a big man than a small one—at any rate, in public. Onlookers admire the pluck. They conclude that the giant must be in the wrong, and, anyhow, it would be unfair for him to retaliate. Usually the federation had occupied this unfavourable moral position; but in this case there was a rally. At the C.W.S. Quarterly Meetings it is true delegates urged that "with its great heart" the Wholesale Society "could afford to let these things go by." Yet those who took this view were equally frank in their opinion of the critics. There was much talk of "gilded nobodies." Mr. George Hawkins voiced a general feeling when he said "he had met one of these individuals, who had got a coronet, and had told him that if he would serve for six months on the committee of a co-operative society he would know more about co-operation than he did then." Mr. Llewellyn, of the Sheffield Cutlers and the then Productive Committee of the Co-operative Union, "decidedly objected" to the C.W.S. being described as non-co-operative. The Committee's view was that while they did not object to criticism, the opening of an exhibition of co-operative productions was not the proper occasion for denouncing a chief exhibitor, and they preferred not to recognise an exhibition where this might occur. In this attitude they were supported by a very large majority of the delegates. One from Pitlington in Durham "inclined to think that the C.W.S. was the co-operative movement, and anything not included in that 'we' was something outside and antagonistic to it."

The decision caused the Co-operative Union to intervene, and early in 1901 an agreement was arrived at, which subsequently was endorsed by the Congress of that year at Middlesbrough. The agreement provided for the control of all joint exhibitions (except the Congress Exhibition, which had never been in question) by a joint committee of the Co-operative Union and the C.W.S. And under this arrangement the Wholesale Society and the copartnership societies have shown their productions side by side amicably, although there never has been a hall available for a joint exhibition which the C.W.S. could not have filled of itself.

With this echo of an old controversy the history of the

The Real Virtue of the Store Movement.

productive works of the C.W.S. concludes. At the end of 1912 these departments represented an invested capital of £2,590,218, a volume of supplies worth £7,556,821 at net factory prices, and a body of employees numbering 13,370. Further, they stand for an industrial democracy—a direct service of working-class consumer by working-class producer; and they embody the persistent efforts of four generations of co-operators to find and fix a realisation in this world of the Owenite dream. For it was Owen who gave the stimulus, if not the method; while, although the structure is not as the prophet desired, still it is one which, in its main outlines, if not in every detail, has proved itself as best answering to natural facts and ordinary human nature. And this family of industries has been cradled and trained entirely by industrial folk and men elected from their own ranks—people for whose names you would look in vain in *Who's Who* and the *Dictionary of National Biography*. It is a fact of more than passing moment that (with the notable exception of Mrs. Sidney Webb) the middle and upper class sympathisers with co-operation, from the first beginning in 1872 down to the present day, have been almost, if not quite, unanimously hostile to the C.W.S. principles of production. Some common instinct, interest, or outlook has led them to look for the glory in the position of the employee, and to exalt the labour at the expense of the consuming poor. Yet the glory has been chiefly, if not entirely, in strengthening and binding the store movement, in aiding its work of making life richer and easier for the co-operating masses, and in placing productive powers at the service of a brotherhood built upon common human needs and open to all. That store movement is not perfection. At a hundred points it is open to improvement; but the bettering must come less from outside than from those who do not scorn to take its goods into their homes, who are glad of its opportunities for education and recreation, and who are not too prosperous to value its dividends. Labourers and miners, artisans and clerks, and their mothers and wives are those chiefly who have linked store to warehouse and warehouse to workshop and workshop to farm, and have thrown around all the bond of a voluntary collectivism; and it is for them, with those of other classes who will co-operate with them rather than patronise, to stand by and further enrich their own, until the store movement sufficiently responds to all the nobler human necessities as well as to the commonest.

CHAPTER XXVI.

IN THE NEW CENTURY.

Time and Memory—Co-operative Yesterdays—The C.W.S. Dividend—A Comparison with Joint-stock Methods—Reforming the Constitution—Changes at Headquarters—Manchester, Newcastle, and London—The Architects' Department—The C.W.S. Bank and Popular Banking—International Co-operation and the Future—Years 1899–1913.

RAIDS on the present century already have been made in each of the eleven preceding chapters. It now remains to gather the threads together, to review the general C.W.S. history that distinctly belongs to the last ten or twelve years, and to see the federal side of the "republic of consumers" as in all its branches and departments constituting our national institution.

Those of us born since 1870, but clearly remembering the first jubilee year of Queen Victoria, are apt to think of the sixties as infinitely more distant than the eighties; so present to us are the days which we still remember, so distant is the time we have never known. When Arnold Bennett and Edward Knoblauch in *Milestones* exhibited the year 1912 as not less removed from 1885 than that date from 1860, the simple fact came to one as an idea both novel and unpleasing. Yet, once the mind is aroused to the sense of time, the Boer War begins to seem a remote event, separating us not only from an English electorate passionate in 1886 over Home Rule, but also from a populace that in 1900 poured out its heart in "The Absent-minded Beggar," "Dolly Gray," and the "Soldiers of the Queen."

Of figures on the dial there are many. Politically, the era of Liberalism, the supplanting of Mr. Chamberlain by Mr. Lloyd George, the rise of the Labour Party, the Women's Suffrage revival of 1904 and after, the Anglo-German antagonism and the Anglo-French and Anglo-Russian understandings separate us from 1899. Old-age pensions and the Insurance Act, Wages Boards, the Tariff Reform agitation, the Town Planning Act, and school clinics mark the period. Economically, we have travelled through a war

Figures on the Dial.

“boom” and a resultant trade depression, a revival, and again a falling off, and finally a world-wide “boom” producing greater accumulations of capital, vaster opportunities for capitalists in the field of foreign investment, great struggles of the underpaid to secure a minimum level of subsistence, especially for “unskilled” labour, and an advancing cost of living. To deal miscellaneously, in the main it is the last dozen years which have given us motor cars, aeroplanes and dirigibles, submarines, picture theatres, electric traction, pianolas, day trips to Paris, garden villages, cheap copy-right books. Labour newspapers, Ruskin College, the Workers’ Educational Association, the Brotherhood movement, repertory theatres, Bergson’s philosophy, Syndicalism, “rhythm” in art, Russian dancing, Sunday golf, and the attainment of the North Pole and the South—a queer mixture of things not all unrelated. In 1873 it was a matter of public interest that a man had ridden a bicycle from London to John o’ Groats at an average of sixty miles daily. About the same time a friend of Ruskin, Carlyle, and Tennyson (the poet, Coventry Patmore) was genuinely if morbidly convinced that the Reform Bill of 1867 marked the beginning of England’s decline. To a sympathiser he wrote:—

The bank holidays, as you say, are a prodigious nuisance. The whole population of England seems now to be chronically drunk every Saturday, Sunday, and Monday, feast day or fast. It is very lucky. Nothing but universal drunkenness among the labouring classes can keep them from making use, *i.e.*, abuse, of their new political power. It will be an unhappy day for England when the mechanic takes to becoming a sober, respectable man.¹

Evidently it is not prudent either to exalt the novelties of the day or to see in them the end of all things.

The co-operative movement both has reflected the outer events of the new century and within this short span has witnessed changes of its own. The Co-operative Congress in 1903 approved a Free Trade policy, and re-affirmed the decision in 1904. In 1905 it was in favour of co-operative representation in Parliament; in 1908 it endorsed the pacific Women’s Suffrage movement, which had been reinforced in 1904 by the Women’s Guild, and in the same year, as again in 1907, it advocated Wages Boards. In 1907 it commended the town planning and garden village movement; in 1909 it called for an Anglo-German treaty; in 1910 it urged the State control of railways, and the democratisation of the universities; and with a

¹*Memoirs and Correspondence of Coventry Patmore*, by Basil Champneys (1900); Vol. II., p. 105. The extract is undated, but bank holidays were a novelty in 1872.

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growing enthusiasm during these years the Congresses demonstrated in favour of international co-operation and goodwill between the nations of the world.

The passing years, also, have witnessed events more of internal interest. The boycott of co-operators that was announced so confidently from St. Helens died of exhaustion without troubling very greatly the co-operative defence fund, to which in 1902 the C.W.S. guaranteed £50,000. The *Tradesman and Shopkeeper* ran its short but violent course, until its wanton libel on the Plymouth Society proved too much for it early in 1906. At Birmingham, in the same year, Mr. J. C. Gray, while approaching his conception through ideas of the past, nevertheless marked the furthest advance of co-operative thought by advocating a "national co-operative society," of which the Wholesale Societies (English and Scottish) "would constitute the natural nucleus," and in which the local societies would be merged as "branches of the national body." Apart from the C.W.S. and the constituent societies, the removal of the Co-operative Union headquarters to Holyoake House, the adoption of new rules by the Union, and the placing of the Co-operative Congresses on a more business-like basis, together with the obtaining of increased subscriptions for propaganda purposes, and the fostering of a National Co-operative Men's Guild, are among the actions and events parting us from the past. Time, also, has robbed the co-operative world. In October, 1911, in the person of J. M. Ludlow, there passed away the last representative of the noblest inspiration (when all is said) which the co-operative movement ever received; and the following year was marked by the all too early loss of J. C. Gray, the successor of E. V. Neale as general secretary of the Co-operative Union. More directly affecting the Wholesale Society there are many names to be remembered. First may come that of George Hawkins (of Oxford), chairman, until the retirement which preceded his comparatively early death, of the C.W.S. London Branch. Other Southern and Western names may be linked with his—Joseph Clay (of Gloucester), W. H. Brown (of Newport), R. H. Tutt (of Sheerness), Henry Pumphrey (of Lewes), G. Sutherland (of Woolwich), and J. F. Goodey (of Colchester). In the North the loss was equally heavy, for William Stoker (of Seaton Delaval), Robert Irving (of Carlisle), George Binney (of Durham), F. A. Ciappessoni (of Cleator Moor), and Joseph Warwick (of North Shields) died while in office. And to these names there are others to be added, associated with the chief district of the federation: Thomas Bland

Statistics of Increase.

(of Huddersfield, vice-president of the Society at the time of his retirement), Amos Scotton (of Derby), Alfred North (of Batley), James Fairclough (of Barnsley), John Lord (of Accrington), William Bates (of Eccles), and, more recently, Thomas Hind (of Leicester). So great a number of losses in twelve years meant an unusual proportion of changes in the personnel of a Committee numbering only thirty-two at its largest.

The general statistics of the C.W.S. afford proof of enormous increases during the present century. The sales for the year 1901 totalled less than eighteen millions sterling; for 1900 they barely exceeded sixteen millions. In 1905 the sum of twenty millions was reached. The returns halted in 1907-8 at less than twenty-five millions; and then, in 1909-12, climbed steadily to little less than thirty millions—£29,732,154. The share of the productive works in this amount was £7,556,821. Although the expense of conducting this volume of business grew from £335,183 in 1901 to £601,884 in 1912, the rate per £ of sales was only $\frac{1}{4}$ d. more than in 1901, the figures being $4\frac{1}{2}$ d. and $4\frac{3}{4}$ d. respectively. In 1910 the rate was $4\frac{7}{8}$ d. In 1888 this figure was 4d., and in 1874 3d. The net profit—collective saving—which was £14,000 in 1874, £82,000 in 1888, and £288,000 in 1901, reached the half million in 1909. It was then precisely £549,080. The surplus fell away from this record by some £80,000 the next year; but it increased again to £579,913 in 1911, and from this to yet another highest figure of £613,007 in 1912. Meanwhile the co-operators of the country, those terrible “dividend-hunters,” have been content to leave their increment from the saving fixed at 4d. in the £ on their purchases. It is true that in 1908 the Warrington Society moved for a fivepenny dividend—“they had no desire for the extra penny, but they brought forward the amendment to test the feeling of the delegates.” But the Committee then insisted upon the wisdom of preferring a further strengthening of the reserve funds of the Society, and the amendment everywhere was lost by large majorities. Only one year later the soundness of the official policy was demonstrated. In March, 1909, after the productive losses of 1908, the Committee were obliged to draw over £12,000 from the reserve fund to pay the assured dividend of 4d.

Old-fashioned co-operators used to trumpet the virtues of co-operative dividends, but in relation to this feature of the co-operative system the present-day spokesmen frequently are too modest. Some, indeed, affect a kind of moral superiority to

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"divi.," forgetting that, except co-operators, there are none to do it justice. The two most authoritative of modern cheap dictionaries, the *Concise Oxford* and Chambers's *Twentieth Century*, both reflect the general opinion of the outside world by defining dividend as the sum which is divided amongst the shareholders in a joint-stock company. A consumers' co-operative society, retail or wholesale, is not a joint-stock company, and, in consequence, it does not declare a dividend upon its capital. Unlike all other commercial bodies to which the public is admitted and that are described as "limited," a consumers' co-operative society has no shares of fluctuating value. During forty-nine years, from 1864 to 1912 inclusive, the C.W.S. profits, increasing from £267 to £613,000 annually, and totalling nearly eight millions in all, resulted in no person being either one penny the richer or the poorer by reason of any buying or selling of shares. Automatically, the store movement abolishes stock exchange gambling, with its "bulls," "bears," "corners," panics, "bucket shops," and all such machinery of something for nothing at someone's expense. In all probability no clergyman, editor, or public man ever has commended the Wholesale Society on this account, and yet it is no small account. Too familiar for notice by most co-operators, there are details in the co-operative system that would still be news to half the world.

With the larger growth of the Society more than one question arose affecting its constitution. "For many years," said a *Co-operative News* editorial of March 11th, 1905, "the subject of the revision of the system of appointing and continuing the directorate of the English Co-operative Wholesale Society has been discussed at conferences and around committee-tables." In November, 1902, the No. 1 District of the Northern Section of the Co-operative Union proposed to consider the constitution of the C.W.S., but the section as a whole disagreed. The matter was judged to be proper to a C.W.S. meeting purely. Unconvinced, the district committee printed the paper which had been prepared, and organised a special conference out of the funds at their disposal. Over and above half-a-dozen minor points stood the relation of the branch committees to the General Committee of the federation. "Although they had a third of the business of the C.W.S.," said Mr. Shotton at this independent conference, "they from the Newcastle district had only a representation of two out of sixteen." The legal executive body actually consisted of twenty members—sixteen from the Manchester district and two chosen from the eight Directors of

Reforming the Constitution.

each branch. Six out of each full number of eight district Directors thus had no part in the Society as a national unit. The natural result was a tendency of the provinces to separate action. To some extent this local consideration found expression in the Pelaw group of works in 1902, and when in 1904 the London brushmaking was removed to Leeds an undesirable issue was raised of London against the North. The problem could not be allowed to rest, and in April, 1903, a Manchester District Conference met, without any apology, to discuss the entire question. The paper was by Mr. Barnett, of Macclesfield, who justly commented upon "how little" the C.W.S. "operations and methods are discussed at our conferences." The detail of a retiring allowance for the Directors led to the vital part of the matter. Mr. Barnett proposed an increase of the General Committee from "sixteen to twenty-four." At that time each C.W.S. Director served on every sub-committee in turn, taking his place by rota. The further proposal now was made that the general body should be divided into two permanent sub-committees, each of twelve members—one for distributive and the other for productive purposes. This point was little discussed, but it was unlikely that so sharp a division would have served to unify a business which essentially was one business, whether in Newcastle or Manchester, and whether selling flour or milling it. At the December Quarterly Meetings the Macclesfield Society moved for a special committee of inquiry, but the C.W.S. Committee regarded the motion as "inopportune," and it was defeated. Meanwhile, the lighter matter of Directors' fees and retiring allowances continued to attract notice. In March, 1904, after the death of Mr. R. H. Tutt, the meagre provision for C.W.S. Committee-men during illness was commented upon in the London *Echo*. But at Birmingham in the same month Mr. Barnett's paper, nominally on a retiring allowance, was referred to as more properly to be entitled "The Need for Reorganisation." And at Oxford, although pensions or no pensions still was the topic of nearly all the speakers, a resolution was carried recommending a special committee of inquiry upon the whole subject. This resolution had been moved by Mr. Rowsell, of Reading, and a motion to the same effect from Reading and half-a-dozen neighbouring societies appeared on the agenda for the C.W.S. Quarterly Meetings of December, 1904. Opposed by the C.W.S. because of its indefiniteness, the proposition ultimately was withdrawn to come up again in six months' time. The Newcastle meeting, however, carried a resolution asking the

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C.W.S. Committee to inquire and report, and this reappeared in March, together with a more definite motion from Reading. Promising a recommendation from themselves, the Committee secured an adjournment until June, when they adopted the Reading motion in part, omitting the points of (1) the representation of the Branch Committees on the General Committee, (2) of a special productive committee, and (3) of an age qualification for election to the Directorate. But the Reading Society stood out for its full eight points, and it carried the day, securing 1,205 votes against only 394 for the more limited inquiry.

The Reading motion provided for an inquiry committee of twelve members, eight of whom were to be elected. These seats were filled by Messrs. T. Redfearn, Frank Hardern, W. A. Hilton, and James Johnston from the Manchester district, E. J. Graham and William Crooks from Newcastle, and T. G. Arnold and R. Rowsell from the London province. Messrs. J. Shillito, T. Tweddell, T. Killon, and Henry Pumphrey from the C.W.S. Directorate completed the twelve, and the name should be added of Mr. T. Brodrick, who was appointed secretary. The report of the special committee appeared in May, 1906. It recommended that all the Manchester, Newcastle, and London Committee-men should form one executive, divided into four permanent sub-committees, these being (1) finance and general purposes, (2) grocery and buying depôts, (3) drapery, boot and shoe, and furnishing, and (4) productive. It proposed a full executive meeting every week, held in turn at Manchester, Newcastle, Manchester, and London. The existing system of nominations within the three provinces and voting by the entire electorate was to remain. No age limit was to be fixed for candidates, although ages were to be stated on the nomination forms. No compulsory retiring age was named, but three-fourths of the General Committee were to have the power of recommending for retirement any colleague "palpably unfit to perform his duties." A retiring allowance reaching to £3 as a maximum was recommended, but with an arrangement by which the members of the Committee themselves would provide the fund. Ninepence for fourpence was not yet a popular institution. A fixed salary of £350¹ was specified for each Director without distinction, with terms during illness more generous than before, and allowances for overnight out-of-pocket expenses in proportion. Members of the Committee were to give their whole time, not holding any other paid office, except

¹A sum of £17. 10s. is deducted yearly for the Directors' Superannuation Fund.



THE, C.W.S. FRONTAGE TO CORPORATION STREET, MANCHESTER,
LOOKING NORTH.



HEAD OFFICES OF THE CO-OPERATIVE INSURANCE SOCIETY LIMITED,
CORPORATION STREET, MANCHESTER.

1900

The New Constitution.

as committee-man or chairman of their own local society. They were not to be debarred, however, from acting within reasonable limits on public administrative bodies or as magistrates. "Great confusion would ensue," said the committee of inquiry, "and irreparable injury would be done" by separating the distributive activities of the federation from the productive. Therefore, with the provision stated for sub-committees, the entire institution was to remain under the control of the General Committee.

Notwithstanding differences on detail, the report was signed by all the twelve members. Two Saturday afternoons of a fine and hot July were occupied—the first by seven branch and divisional meetings and the second by the final general meeting—in considering the report, and the amendments which gathered around it like summer flies. The Newcastle meeting, on the 14th, showed the spirit of early days by spending five hours upon its discussions and decisions; but the remainder were less devoted. Unexpectedly, every amendment except one was defeated on this first day, and only a handful of some 471 delegates appeared at Balloon Street on the 21st to end the hopes of the survivor. The report, therefore, was adopted as it stood, and new rules based upon it subsequently were accepted *en bloc* by general agreement.

New headquarters marked the further transformation of the C.W.S. into the present-day Society. At Manchester the nine hundred or so delegates long had been in a state of rebellion against the crowding of Quarterly Meetings into what is now the old dining-room. Various efforts had been made to rent better quarters. The Central Hall, in Oldham Street, twice was used in 1895 and the Town Hall in 1897, and, although the delegates returned to the discomforts of Balloon Street, in desperation they migrated again, to the Association Hall (Y.M.C.A., Peter Street) in 1901, and to the classic Free Trade Hall in 1902. Each experience proved, however, that even when jammed together there was no place like home. Still, there was no reason why the home should not be comfortable, and in September, 1899, the Committee completed the purchase of nearly five thousand square yards (4,942) of building land, fronting on Corporation Street, with a view to providing a new meeting-room and larger business premises. The total cost of the purchase was £95,587, and the properties were subject to five different chief rents amounting in all to £378. 19s. 7d. Six lesser consolidating purchases were made later, two in Hanover Street, two in Dantzie

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Street, one in Corporation Street, and one in Redfern Street. In due course the Corporation Street buildings were taken down; and the pillared facades of first one and then the other of the two main blocks rose broad and tall along a main thoroughfare. The Society had come to the front. Already the drapery warehouse referred to in the previous chapter had been erected, and a new roadway made and named Federation Street; and now the drapery warehouse formed the rear of the earlier block. The first provision was for offices, and for the promised Mitchell Memorial Hall. In September, 1907, the delegates thronging to the Lancashire and general Quarterly Meetings were delighted at no longer climbing narrow stairs to the old, unshapely, loft-like chamber. Instead, they were conveyed by electric lifts to a handsome assembly hall, designed to seat 1,200 persons at one level, and intended solely for the purpose of large meetings. Before the business proceedings a white marble bust of J. T. W. Mitchell was unveiled by Mr. Shillito, who took the occasion of reviewing the progress of the Society, as well as of paying a sincere tribute to the memory of the dead leader. In addition to the hall, the delegates found a new dining-room immediately below (it was afterwards removed to the basement), a dining-room able to provide at one sitting for a thousand diners. Although probably unknown to a majority of Manchester people, the Mitchell Hall has served the purposes of many and various meetings since 1907.

The second advance gave a large opportunity to the bank, to the grocery saleroom, and to the furnishing and stationery departments. From being simply a room looking out practically upon a loading-way, the saleroom approached the dimensions of an exchange, with handsome offices adjoining for the buyers and their staffs. The dried fruit sale was first held in this new building in October, 1909. Over the saleroom something like an adequate space was afforded for furniture and carpet displays, for jewellery, for fancy stationery, and for the annual toy sales, supplied through the visits of C.W.S. buyers to Nuremburg, Freiburg, and similar delightful old-world towns of Germany. The hardware, the boot and shoe—with its important leather and grindery sections—and other departments benefited from the vacancies created in the older buildings. Touching upon the stationery department, one is reminded of the expansion frequently possible within the federation. From arranging for the printing of programmes the department, under Mr. Wiggins, has become a concert agency, making terms with societies for parties of artistes; and from supplying entertainment in winter it has gone on

The Capital of the Federation.

to the arranging of excursions in summer. Thus there is now an excursion department which, acting on behalf of local societies, is ready to take, and does take, parties of co-operators to various parts of the British Isles and the Continent.

From the great saleroom at Manchester a private wire goes to the C.W.S. Liverpool offices. As we have seen, both cities have been associated with the C.W.S. since 1863, when it seemed as if the federation would make its headquarters in the port. The weight of circumstances caused the choice to be otherwise; but from 1876 there has been a steady effort to bring the Liverpool Docks as near as possible to the Manchester Saleroom. The present-day Liverpool Branch enables orders to be booked at Balloon Street and executed from the port on the same day. The Liverpool provision, corn, and produce exchanges are attended daily; and the offices at 11, Victoria Street, in the heart of the city, and in touch with the whole line of docks, are also linked by private wire with the C.W.S. dockside warehouse at Regent Road. Besides the wire to Manchester, despatch bags pass between the branch and the headquarters hourly. In 1912 over 80,000 tons of C.W.S. goods were dealt with at Liverpool, and nearly half a million was paid in tobacco duty. The Society first rented offices in Victoria Street in 1898—at No. 1—whence it transferred to No. 7, and now No. 11. The Regent Road warehouse, although constructed for the C.W.S. in 1899, is held from the L. and Y. Railway Company on rental; adjoining it is a smoke and games room for the dinner-hour comfort of employees, and this is C.W.S. property. Since the first day of 1904 the branch has been under the control of Mr. W. L. Kewley, formerly of the Manchester offices.

Manchester still remains the capital of the federation. Behind Glasgow, Birmingham, and Liverpool in the number of people living under one municipality, Manchester forms, nevertheless, the natural centre for a population greater than that of London, and distinct from that of the metropolis in its industrial character and environment. Inferior to Liverpool in its site, and to Birmingham in the attractiveness of its central area—outwardly dingy, ugly, and given over to trade, Manchester, for all that, has been the germinating centre of social, political, industrial, and economic movements ever since Peterloo. Manchester draws to itself from the surrounding manufacturing districts, East Lancashire and Cheshire, West Yorkshire, North Derbyshire, and North Staffordshire, and the type of character thus reinvigorated is, in the main, homely,

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practical, serious, and warm-hearted. Alike in its virtues and its shortcomings, it affords many contrasts with that, say, which is more familiar in London of the wealthy.

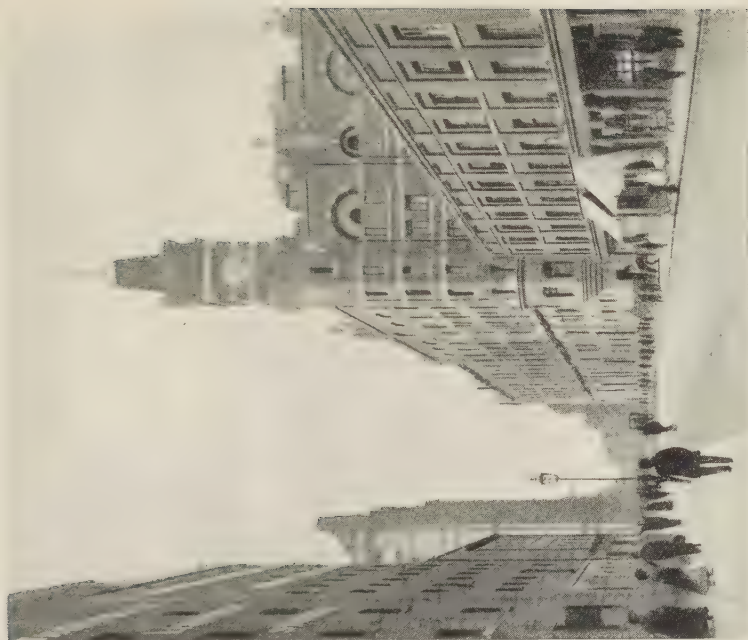
At Newcastle, equally robust in its healthy provincialism, no important warehouse and office extensions have been necessitated since the opening of the towering West Blandford Street block in 1899 (the ultimate outcome of the purchase of land in 1890) and the rebuilding of the drapery warehouse referred to in Chapter XXIII. Here, also, a new hall was provided for the Quarterly Meetings, the Northern delegates obtaining an earlier release than their fellows at Manchester. The first Quarterly Meeting in the new "magnificent and gorgeously-furnished room" was held in June of that year. Their escape from a crowded dining-room (at Waterloo Street), suffocating in summer and chilling in winter, was effected in 1899. Mr. Tweddell at this time was exiled by illness, and Mr. T. E. Shotton welcomed the representatives. The new building, he said, had resulted in the clerks being freed from "a very meagre, poor, and ill-ventilated office;" while the grocery and provision departments already had benefited, and the boot and shoe departments were moving in. Land adjoining this block has since been acquired, ready for possible needs. And, in addition to the old-existing Waterloo and Thornton Street drapery and furnishing premises, an imports warehouse on the Quayside was built by the C.W.S. in 1902. The latter had the distinction of being the first considerable ferro-concrete building erected in England.

The metropolis, of recent years, with the extended importance of the co-operative societies working inwards and outwards from Edmonton, Woolwich, Stratford, Bromley, Penge, and the regions of West London beyond Brompton and Bayswater, and with the enlarged C.W.S. premises walling-in both sides of Lemn Street, has become less of a despair to co-operators. It is even a city of hope and promise, its co-operation, wholesale and retail, frankly ambitious of out-rivalling the magnitude of the North. Here the lengthening of the line of warehouses already noted did not give a new hall to the Quarterly Meetings, but, as already remarked, it restored to them their previous assembly-room, their exclusion from which, especially during the special meeting to decide the constitution of the Committee, in 1906, sometimes was more than an inconvenience.

The new Manchester premises, as shown in the second frontispiece of this book, were erected by the C.W.S. own building



1. C.W.S. NEWCASTLE BRANCH: WEST BLANDFORD STREET PREMISES FROM WESTMORLAND ROAD.



2. C.W.S. LONDON BRANCH: FRONTAGE TO LEMAN STREET, LOOKING NORTH—TEA DEPT. AND BACON STOVES ON LEFT.



GENERAL OFFICES, C.W.S. NEWCASTLE BRANCH, WEST BLANDFORD STREET, NEWCASTLE-ON-TYNE.

The Architects' Department.

department from the plans of Mr. F. E. L. Harris, A.R.I.B.A., the architect to the Society. Until his appointment the C.W.S. plans were drafted by or for the head of the building department, or the services of an architect were commissioned in the usual manner. Under the early system of the builders being responsible for the designs also, the elevations might be effective by reason of proportion and outward simplicity, otherwise they were unpretentious. Of buildings designed by a professional architect unconnected with the Society, West Blandford Street remains the chief example. To obtain such professional assistance, with the additional advantage of a permanent connection with and intimate knowledge of the Society, Mr. Harris was appointed in 1897, and a new department begun under his charge. Since that time all the buildings erected and the extensions made by the C.W.S. at home or abroad—offices, warehouses, flour mills, weaving sheds, boot factories, and so on—have been built from the designs and under the supervision of Mr. Harris and his department. The Dunston Soap Works forms the only exception, inasmuch that the architecture was by Mr. Ekins, who had gone to Newcastle from the architects' office at Manchester to take charge of societies' local work. At Manchester and Newcastle the latter is an important branch of the department's activities; during the early months of 1913 some sixty plans were in preparation at the Manchester headquarters for the retail societies. From Cambridge to Colne, and from Walsall to Hull, central premises for societies have been designed in this manner, while the credit of Holyoake House, the headquarters of the Co-operative Union, also belongs to this department.

The building of the second block of C.W.S. premises on Corporation Street, Manchester, enabled the C.W.S. Bank to be worthily housed; for, as a litter of books and papers, proofs, cuttings, and slips of "copy" is to a journalist's table, so is a show of opulence to a banker. Through the years of our narrative, since the days of Chapter IX., we must think of this side of the C.W.S. business as steadily pursuing its way, a way distinct from that of the trading departments. A very large part of the yearly and daily history lies concealed within the comparative figures printed among the appendices. From sixty-two in 1873 the current accounts increased to 987 in 1912; how regularly the table shows. More than equally, the annual turnover rose from a million sterling to one hundred and fifty-eight millions. The service to societies and the C.W.S. was

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authoritatively stated in the paper on "The Objects and Work of the C.W.S. Bank" read by Mr. T. Goodwin, the present manager, at different conferences of secretaries and committee-men, held between Carlisle and London during 1912. Profitable employment of co-operative capital, with the profits returning to the society-customers, easier terms for societies borrowing, accommodation for the C.W.S. trade departments, enabling them to make huge seasonal purchases without causing any anxiety to the Finance Committee, and to reduce stocks between seasons without throwing capital out of work—these advantages the bank has secured. Further benefits have been pointed out from time to time in the official reports of the department. In November, 1907, for example, when the Bank of England rate for money—the "Bank Rate"—was 7 per cent, the C.W.S. Bank was in a position to advance money to co-operative societies at $3\frac{1}{2}$ per cent net. And this was not an exceptional circumstance; it represented simply a fairly close adherence to general rates, notwithstanding fluctuations in the great speculative world. In short, the bank, generally speaking, regularly has enabled the smallest co-operative store to obtain money on slightly better terms than those enjoyed by great municipal corporations. Another illustration was reported in the *Wheatsheaf* at the time. During the bad trade of 1908, when the out-of-work capital of the wealthy was accumulating at their bankers, the C.W.S. Bank was busy helping societies to withstand a heavier working-class drain upon their funds, so that lesser profits in other parts of the co-operative world found some small indirect compensation in the shape of generous and easy terms from the bank and a goodly saving of "profit" in addition.

A number of trade unions are to be numbered with the co-operative societies as corporate bodies using the C.W.S. Bank. The great coal strike of 1912 affected the funds of the bank to the extent of £750,000. This notwithstanding, after a loan to the Northumberland Miners' Association had been refused in April, 1912, by one of the great joint-stock banks, an application to the C.W.S. for £70,000 was promptly met, a fact which made a considerable impression upon trade unionist co-operators. Earlier in the same year a substantial sum was lent, also, to the cotton operatives of North-East Lancashire, during their strike at that period. Following upon these disputes there was some talk of a general concentration by trade unions upon the C.W.S. for banking; and one or two very premature statements were reported. Certainly no

Progress of the C.W.S. Bank.

anti-trade-union prejudice ever will complicate the position of the C.W.S., but in any general extension of trade union business it would need to safeguard itself against the danger of a costly disturbance of ordinary business possibly arising from the national drain of a great strike; and, as some of its friends forget, it cannot pledge constituent societies without consulting the latter and obtaining their approval.

So much for the service of the bank to societies; there remains the more direct service to individuals. At the Quarterly Meetings of September, 1897, an official scheme of advances for house building met with a little criticism and a very general approval. It took the form of lending to the retail societies up to 75 per cent of the certified value or cost of particular properties, which sum the society would hand on to the individual member desirous of providing himself with a house, itself granting a supplementary loan if necessary. The further details need not trouble us here, sufficient that for this specified purpose practically any responsible co-operator was enabled to obtain a twenty years' loan at a gross charge, including local expenses, of about 4 per cent. "The C.W.S. house-building scheme came just at the very time it was wanted," said a veteran co-operator of South Wales (Mr. Thomas, of Cwmavon) to the writer, in 1912. The then existing local colliery company was selling the cottages it had owned, as the tinplate company did soon after, and the easy C.W.S. terms encouraged the co-operative society to rise to the opportunity. From 1901 to 1907 the operation of the scheme was suspended. In March, 1901, it was reported that societies were investing their surplus capital outside the C.W.S., which offered only 3 per cent for loans, against a return of rather over 3 per cent from municipalities. The federation itself requiring money for productive and other purposes, the interest on trade loans then was advanced to $3\frac{1}{2}$ per cent. About three years later, in 1904, the share capital of the Society was increased, each new society-member being obliged to take up one £5 share for every five members. By 1907, however, the C.W.S. funds again had accumulated in excess of the Society's needs, and £250,000 was set aside for reopening the house-building scheme. Up to December, 1912, an aggregate amount was advanced of £361,935, with an outstanding balance of £199,612, owing by 1,148 individuals, through 110 societies. Individual house-owning during recent years has yielded place in co-operative favour to the modified collectivism of the copartnership tenant societies, but anyone who wishes to see

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what a small society, not itself rich in surplus capital, has been able to accomplish along the old lines, through the C.W.S. scheme, should visit Burton Latimer, in Northamptonshire.

We are still left to consider the important question of a fully-developed popular bank, possessing branches in connection with every co-operative society, dealing directly with individuals, and incidentally supplanting the money-lender. At the Paisley Co-operative Congress of 1905 a discussion on co-operative banking arose in connection with a paper by Mr. G. Bisset. The paper advocated a bank that would receive working-class funds and savings of all kinds, and so invest the capital as to bring great industrial undertakings under some degree of working-class control. A resolution afterwards was put forward "appreciating the splendid results of the Wholesale's banking department," but desiring a further extension of banking. The resolution received the approval of the delegates, and various representations were made both to the English and Scottish federations. A deputation attended from the United Board of the Co-operative Union to urge upon the finance committees of the two Societies the opening of branches from the C.W.S. Bank "in every centre of co-operative activity," and the arranging for agencies by societies wherever a branch was not warranted. So extended, the bank was to cover all the loan, saving, and investment needs of co-operators, individual or corporate; also it was to be placed under the separate control of a special body of directors and officials. The first two of these proposals simply expressed that idea of a co-operative bank which had been held by all the original advocates; the third, however, revived the old error exposed by Mitchell, of "two executives for one capital."¹ A second scheme was kept in reserve. This was for founding in Manchester a "Co-operative" or "Industrial Savings Bank and Investment Society Limited," for which the assistance and co-operation of the two Wholesale Societies would be solicited. But the two Committees were "of opinion that the suggestions laid before them were not of a practical character." Not content with this attitude, the United Board then put the first set of proposals before various district conferences, but no irresistible champions of an extended banking arose, and the agitation died away. The success of agricultural co-operative credit banks on the Continent, made known largely by Mr. H. W. Wolff, had lent force to the movement, but the failure in 1912 of a "People's Bank" at Manchester

¹ See Chapter IX.

The Bank and its Future.

rather confirmed the opinion of the Committees. Although unconnected with the official co-operative movement, the People's Bank had received friendly advice from the C.W.S., and its quick decline emphasised the unreadiness as yet of the general democratic industrial movement to organise popular savings and meet the needs of popular credit. Unprepared to take risky steps, the Committee of the English C.W.S. "showed willing" toward a very modest extension when in April, 1910, individual deposits of from £10 and upwards, and subsequently of £5, were welcomed by the C.W.S. Bank in those cases where a co-operator already had invested in his retail society to the full amount permitted by its rules. The balance due under this head to 2,470 individuals depositing through 221 societies was £182,352 at the end of December, 1912. This is nothing great, but it marks a step in the direction of a very large province as yet unoccupied. It may be added that the C.W.S. Bank has branches at the co-operative district headquarters of Newcastle and London, and also at Bristol and Cardiff, although it has been proved that its general business purposes are best served locally by arrangements for established banks to act as agents. Until 1898 the department was controlled by Mr. Abraham Greenwood, the first chairman of the C.W.S., and from then until 1907 by the late Mr. J. Holden, of Middleton. Since then the position has been occupied by Mr. Goodwin, previously the chief clerk at Balloon Street.

C.W.S. banking, while having a large future before it, is also substantial in the present. Following after its figures, those of the C.W.S. export department may come only apologetically. As yet, so far as sales are concerned, it is only a negligible part of the C.W.S. trade which is done overseas; and, co-operative dairies excluded, hardly a fraction of the imports are from co-operative sources. Nevertheless, the centennial historian may find material here for an important chapter. Already there are co-operative wholesale societies established in France, Belgium, Holland, Germany, Denmark, Norway, Sweden, Finland, Russia, Austria, Hungary, Italy, and Switzerland. And the English C.W.S. has a trading account with most of these, and also has been employed as buyer, notably of dried fruit for Belgium. At the Newport Congress of 1908 a special effort was made to bring together the representatives of European wholesale co-operation. An interesting conference was held, as a result of which the C.W.S. commenced its export department. A capable young Swiss, trained under Dr. Müller, the international co-operator, and then employed in the

The Story of the C.W.S.

Manchester offices of the English federation, was appointed Continental representative, and the prospects seemed bright. But the experiment of a regular visiting was given up almost before it had developed. The Continental Wholesales, having few manufactures or none to supply in exchange, did not appreciate a buying that inevitably would have been all on one side, and the sellers, perhaps, were not free from British insularity. However, the export department has not been given up, and periodical visits are paid from Manchester to the European wholesale and chief retail societies, while from Canada in particular a promising, regular demand has come unsolicited. Meanwhile, the co-operation of consumers continues to march forward, both in Canada and upon the Continent. The political differences which maintained in France two wholesale societies, each economically weak, has been overcome to the extent of these two amalgamating. Austria and Russia are regions of development, and the smaller countries by combination could exercise great buying powers. And the German C.W.S. at no distant date may outrival the English; already it has important manufactures of its own. The *Year Book of International Co-operation* for 1913, an official publication of the International Co-operative Alliance, said:—

We may safely assert that co-operative wholesale purchase was carried on in 1910 by national organisations for this purpose on behalf of at least five million consumers. Great Britain alone was responsible for nearly half this number, the other half being Continental co-operators.

An international exchange of productions and a large development of international co-operative exchange generally is in the future, but, to judge from present signs, if it so remains fifty years hence the record will say little for the spirit and enterprise and fraternal faith of co-operators.

We now come to the most recent large event in the general history of the C.W.S., which is the development of insurance. By all logical divisions it belongs to this chapter, yet the account cannot now be added without an inordinate extension. So the story of general progress in the new century shall be cut in two, for sometimes one must consider the reader.

CHAPTER XXVII.

CO-OPERATIVE INSURANCE IN THE OLD CENTURY AND THE NEW.

Old Days Recalled—The Founding of the Co-operative Insurance Society—The Position in 1906—The C.W.S. Insurance Fund Again—The Discussions of 1898—A New Movement in the North—Details of a Long Controversy—Crossing the Rubicon—Two Decembers—Twenty Shillings instead of Thirty—The Way of Progress—Years 1863–1913.

APPROPRIATELY enough the matter of this chapter goes back to the beginning of our travelled road, and reminds us of landmarks along the way. If the modern co-operative movement practically sprang from Rochdale, the federation of the movement in Britain, for all national purposes, most certainly dates from the tea and talk of the August afternoon at Jumbo. Probably the tiny Lowbands Farm did not boast any plough except that metaphorical one to which the little group of leaders then put their hands. And, as we saw in Chapters IV. and VI., having prepared the ground and sowed the seeds of the present C.W.S. greatness, they proceeded to do the same service for a co-operative insurance society. Or, to change the metaphor, first they set capable hands to work upon the laying of a main track, and then commenced to build a loop line. It is fitting that the point of the loop rejoining the main is also the year of the C.W.S. Jubilee.

The first reference to insurance in William Cooper's old minute book, now the property of the C.W.S., is in a resolution under the date of November 8th, 1863. The Rochdale members of the group, as a sub-committee, then were instructed to make inquiries from societies concerning fire insurance and employees' guarantees. The subject again was discussed subsequently, although the business of getting another bill through Parliament to amend the faults of the 1862 Act seemed to prevent substantial action. In 1865 a new impetus was given by James Borrowman, of Crosshouse, a promoter and first secretary of the Scottish Wholesale Society. Mr. Borrowman was a man of ideas; in one short letter to the *Co-operator* (April, 1865), he advocated co-operative insurance, a co-operative sick and

The Story of the C.W.S.

funeral society, co-operative soap works and sugar refineries, and a co-operative circulating library. He deserves to be remembered, if only for his warning not to mistake "the Pisgah heights for the very Land of Promise." From this suggestion other correspondence arose in the *Co-operator*, while the formation of a special society further was discussed in connection with the movement for an extension of wholesale co-operation to Scotland. Thus encouraged, no doubt, the conference committee (as it had become) requested William Cooper, early in 1867, to send out a form of inquiry to every co-operative society. Favourable answers and statistics being received, a conference was called to meet in the "large room" of the Manchester and Salford Society, Downing Street, Manchester, chiefly to discuss rules for the new company. Ninety-eight delegates, representing 65 societies, "some from places as distant as London and Glasgow," assembled on Good Friday, April 19th, 1867, Abraham Greenwood presiding. It has been supposed that these conferences then met yearly, after the fashion of the present Congresses. But in those days co-operators only gathered when there was substantial business to be done, and the conference of 1867 was the first to follow those which had decided upon the Wholesale Society, and for this good reason William Cooper in 1867 read the minutes and gave details of all the meetings of the committee since 1862. One hundred and fifty-one societies, it was stated, had made returns. The societies held insured property to the value of £271,765; they were paying £651. 1s. 10½d. in premiums; and the losses by fire, presumably during all the years down to the time of the returns, had totalled £970. 12s. 7d.¹ The individual membership of the hundred and fifty societies numbered 69,641; and therefore it appeared that an entire destruction of the insured property would result in an average loss of £4 per member. No one present seemed to share the views of the prophet Baxter concerning an imminent end of the world, so, on the basis of these figures, it was assumed that a guarantee of £1 per member probably would be "amply sufficient" to meet all possible losses within the range of human vision. Since legislators still looked so dubiously upon co-operative societies as to prohibit them from undertaking insurance business, the new organisation now agreed upon was to be incorporated under the Companies' Act. "Little was said as to the necessity of such an association, the delegates unanimously concurring as to its desirability." The draft rules, largely worked out in correspondence

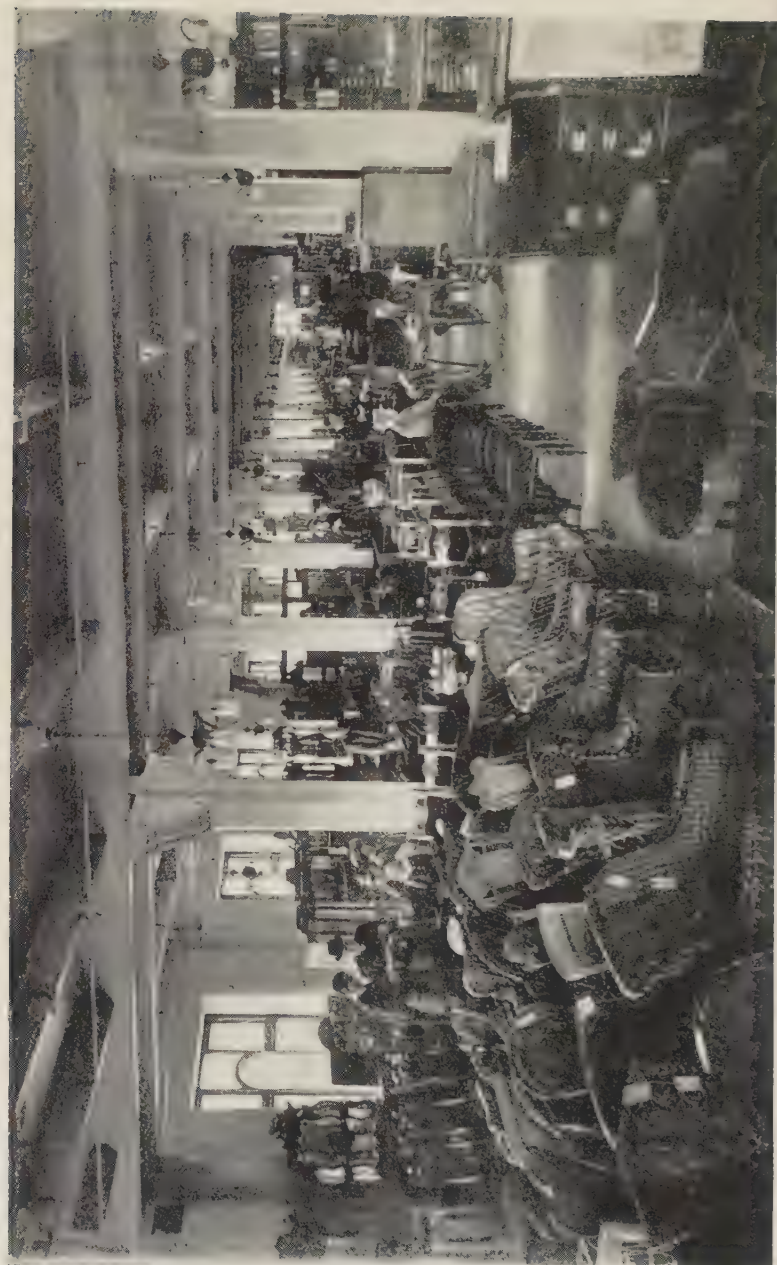
¹ *Co-operator*, May 15th, 1867.



BALLOON STREET, MANCHESTER: THE OLD SALEROOM, 1905.



BALLOON STREET: THE NEW SALEROOM, 1913.



BALLOON STREET, MANCHESTER: A FURNITURE SALEROOM.

The Founding of the C.I.S.

between Cooper and E. V. Neale, were read by William Marcroft, discussed for "several hours," and then, in the main, adopted. On the 29th of the following August the company was registered, with its office at the Rochdale Pioneers' store. The seven members who first took up shares (four each) in order to form a legal company had all joined in founding the C.W.S.; they were Abraham Greenwood, William Cooper, John Hilton, William Marcroft, Charles Howarth, Edward Hooson, and James Dyson, while James Smithies witnessed the signatures. And immediately after the special C.W.S. meeting of November 16th, 1867, the "inaugural meeting" of the company was held. Attended—as to the C.W.S. part of the meeting—by 178 delegates, this gathering for a double object took place in the Mechanics' Hall, David Street—now the Portland-Whitworth Street section of Princess Street, Manchester. The building still stands, at the corner of Princess Street and Major Street. The indefatigable William Cooper, pioneer of everything co-operative, continued as secretary, and Abraham Greenwood was manager; but the untimely death of Cooper in 1868 soon robbed him of the position. In 1871 the office was moved to a room in the C.W.S. premises at Balloon Street; and in 1872 it was actually resolved that one of the directors should interview the C.W.S. Committee "with a view to arranging with them for the work of this company to be done by their servants in the office." The director reported, however, that he arrived at Balloon Street to find the C.W.S. meeting just concluded, and the proposal was never made. In the speculative days of 1871 individuals as well as societies were admitted to membership; and in 1873 the first whole-time secretary was appointed in the person of Mr. James Odgers, who still holds that office. In 1872 business first was done through paid agents; and in 1875 the policy of reinsuring risks, of which so much was heard later, first was adopted. In 1899, following the Industrial and Provident Societies Act of 1893, and the C.W.S. discussion of insurance in 1898, the company was converted into a co-operative society, and all forms of insurance were undertaken; while branches subsequently were opened in Scotland and in England north and south. The year 1904 witnessed the materialising of the happy idea of collective insurance. At the close of 1905 the society possessed 651 society-members, and 76 individual shareholders, whose number was gradually being reduced. Only 4s. in each £1 of the society's capital had been called up, and interest at the rate of 6 per cent was being paid on each 4s. The funds of the society in excess of the paid-up

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shares amounted to £75,871 in the life department, and £88,982 for the other branches. Within limits the society undoubtedly had done very well; and the gatherings of its agents and members in 1906 were inclined to celebrate it as the best of all possible societies. But as compared with the C.W.S., and the Scottish C.W.S. in addition, its scope and its resources were decidedly limited.

And the C.W.S. own insurance fund had been growing. We have seen how simply it began in 1873, when the s.s. *St. Columba* was wrecked off Holyhead, and the C.W.S. was compelled to protect itself against risks which the Co-operative Insurance Company then and until 1899 was debarred from undertaking by its own rules. In Chapter XIX. it was told how the policy of keeping the swelling insurance fund intact, and enabling the C.W.S. "to do its own insurance without the assistance or intervention of outside capitalists," triumphed over the disintegrative proposal of "allocation." This, of course, was in 1892.¹ There was a further victory for the fund in 1898, after the coming into operation of the Workmen's Compensation Act had thrown new liabilities upon the C.W.S. "Almost unanimously" in June of that year the delegates at the Manchester general meeting agreed to the insurance reserve being augmented from profits until it should reach £500,000. "The Wholesale had risks and property insured to the extent of £2,127,100," said Mr. Shillito, "of which £1,192,410 was covered in our own fund. The Committee had to decide whether to pay to outside companies or take the risks themselves. . . . Since 1873 they had paid in claims £67,078, but they had received in premiums a little over £200,000; therefore, they had practically saved by this form of insurance for the benefit of the Wholesale Society £142,000." "There had been a saving to the Society of £5,000 a year by doing their own insurance business in the way they had been doing," said Mr. Tweddell at Newcastle. Following these meetings, at the end of July, 1898, Mr. Tweddell laid certain insurance proposals before the General Committee, and was asked to submit them in writing. The statement then shown made comparisons between the risks and funds of the C.W.S. and those of typical fire offices to show that "we are not utilising the fund to anything like the extent we ought, and that to a large extent the money taken from the profits for this purpose, and not without protest, is being comparatively wasted."

¹ A delegate to the Newcastle Quarterly Meeting of April 2nd, 1892 (Mr. Siddell) said he would like the fund to accumulate until the C.W.S. could not only insure for themselves, but also for the distributive stores.

The Insurance Discussions of 1898.

The Co-operative Insurance Company, Mr. Tweddell further contended, was not “adequately satisfying the needs and aims of the movement”—

Its profits are disposed of by first paying 6 per cent interest to its shareholders; and, secondly, in banking up the surplus in the form of reserves, which remain the exclusive property of the shareholders, and in which the policy-holders are allowed neither part nor lot. It holds 48,924 fire risks, and if it stood upon a true co-operative basis every one of those risks would participate in its profits instead of the whole being absorbed by a syndicate of 509 shareholders. . . . The Wholesale Society, embracing as it does the vast majority of co-operative institutions, and representing as no other agency does the trading interests of the movement, is admirably adapted to deal with this important question. By organising an insurance department on similar lines to the bank arrangements could be made by which perfect mutuality could be secured, a desideratum which I consider is imperative in any scheme of co-operative insurance.

In addition to Mr. Tweddell's paper a departmental memorandum was submitted to the Committee, a statement much more cautious and doubtful concerning the inclusion of big risks and small in one general insurance scheme:—

From 1877 we have had seven fires, on account of which we have received from outside companies in compensation for damage done the sum of £31,000; whilst during the same period we have paid to such companies in premiums the sum of £36,396. If we take the normal proportion of losses to premiums at 50 per cent, these losses should not have reached £20,000. The insurance companies may thus be said to be losers to the extent of over £11,000 through their insurance business with us during the past twenty-one years, whilst, on the other hand, the risks retained by the Society have yielded a very handsome profit.

It is only right, however, to bear in mind in considering these figures that the fire at London Branch alone accounts for £23,053 out of the £31,000.

This was in accord with Mr. Odgers's statement of C.I.S. experience, when, writing in the *Co-operative News* of March 21st, 1898, he said, “the insurance of excess risks resulted in loss to the offices which undertook them, and the amounts retained by the C.W.S. resulted in profit.” The C.W.S., however, was covering more than half the totals of its seven biggest risks, and undertaking much more than the C.I.S. could venture to do; while Mr. Tweddell took the view that elaborate modern precautions had taken the terror out of large risks. Co-operators had their watchmen, own fire brigades, sprinklers, fireproof doors, and the rest, while local authorities, “in all the large towns where our property exists,” were constantly improving their measures against fire, and “to the extent that we

The Story of the C.W.S.

place our risks outside our own fund the underwriters to a large extent get the advantage of these precautions and improvements."

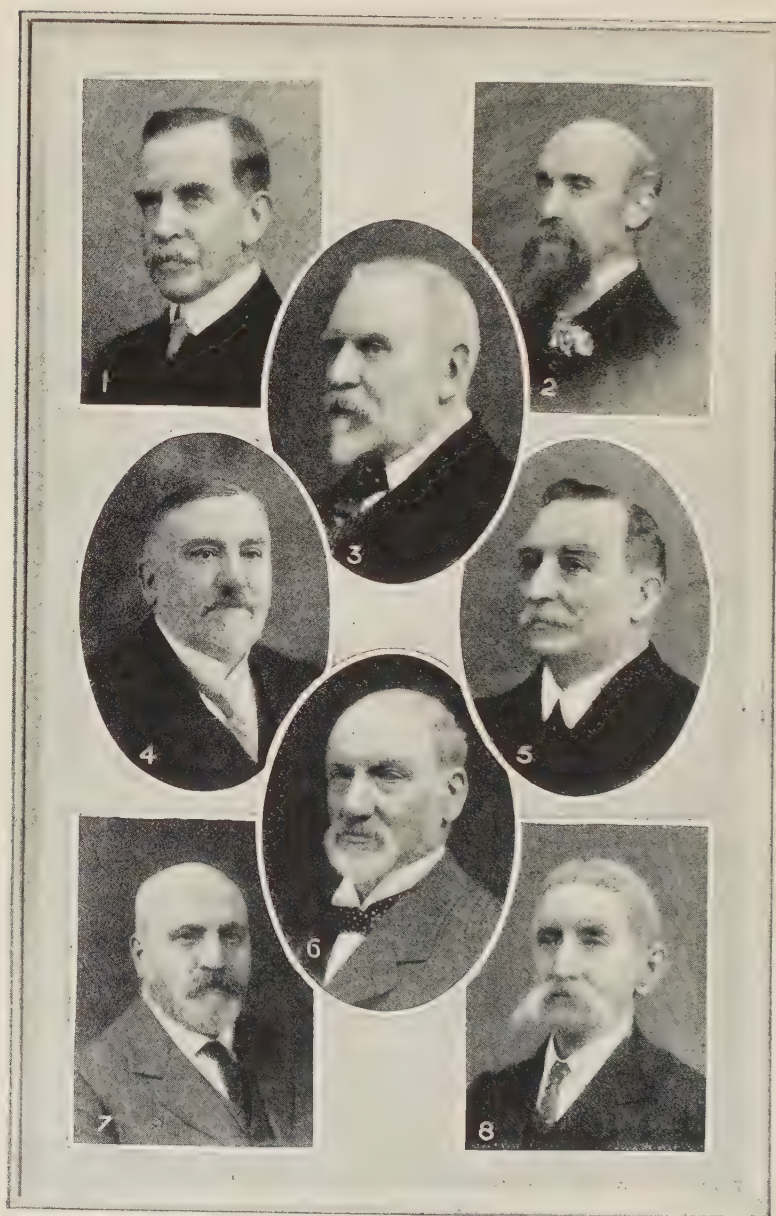
The Committee did not go with Mr. Tweddell to the point of creating an insurance department "on similar lines to the bank," or of arranging a conference "between a few members from each of the Boards of the Wholesale Society and Insurance Company;" but at the September Quarterly Meetings they recommended an alteration of rules enabling the Society to act as insurers of persons and property against risks of every description, life assurance alone excepted. The question then arose of whether this would not trench upon the ground of the C.I.S. "No," said the chairman, "it would not." Mr. Tweddell, however, took the opportunity of making his position clear. "There was a strong body of opinion in the Newcastle district that the Co-operative Insurance Company was not answering the needs of the co-operative movement in relation to this big question of insurance. . . . He did not want his hands to be tied on any future occasion when this important question came up for settlement." This brought up Mr. Odgers for the Insurance Society, while Mr. Redfearn subsequently was in favour of an adjournment; but the decision to alter the rules was carried with only one active dissident. The Insurance Society then approached the C.W.S. offering to reinsure its excess risks with the Wholesale Society and with the S.C.W.S., if the latter cared to join. Complaint had been made of the company being a member of a tariff ring. In the event of an acceptance of the C.W.S., the Insurance Company promised to withdraw from its association with other offices, and agree to a joint committee for matters affecting the three institutions. The C.W.S. considered the offer, but at that time, as later, they would not bind themselves to accept what, at any rate, was business of a more debatable quality, a business left after the more desirable part admittedly had been selected.

The Heckmondwike criticism of the C.W.S. insurance fund in 1892 thus had proved not barren of result, for, simply by calling attention to the amount of this reserve, it had set other societies thinking, and thus had aroused that feeling in the North referred to by Mr. Tweddell in 1898. But to discover further evidences of a particular interest in co-operative insurance we must now pass on to the years 1905-6. In 1905 special conferences were called by the Insurance Society to advocate the new scheme of collective life assurance; and both at Newcastle and London the question of keeping all fire risks within the movement intruded upon the



THE C.W.S. COMMITTEE (FINANCE) AND CHIEF OFFICERS.

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| 1. G. Hayhurst. | 2. J. Shillito (Chairman). | 3. W. Hemingway. |
| 4. G. Woodhouse. | 5. I. Mort. | 6. T. Adams. |
| 7. T. W. Allen. | 8. T. Shotton. | |
| 9. T. Brodriek (Secretary). | 10. T. Goodwin (Bank Manager). | |



THE C.W.S. COMMITTEE (GROCERY).

1. George Thorpe. 2. H. J. Youngs.
3. T. Tweddell (Chairman, Vice-Chairman C.W.S.).
4. J. E. Johns. 5. T. Killon. 6. H. C. Pingstone.
7. W. D. Graham. 8. E. Grindrod.

The Movement of 1906.

discussions. Early in 1906 the policy of the Insurance Society in this respect was criticised by Mr. J. H. Bate in London and Mr. Archer (of Sunderland) at Newcastle; and the latter speaker also questioned the society's membership of the insurance tariff association, a membership which the chairman defended. The Hartlepoons Society (of which Mr. Tweddell was secretary and Mr. Robert Smith assistant secretary) already was contemplating the step of forming its own insurance fund, unless the C.W.S. fund could be made available for all societies' insurances; and the Middlesbrough Society was ready to follow suit.

Letters and representations began to reach the C.W.S. Committee. The considerations urged in favour of C.W.S. action were those which were advanced in public later. The C.I.S. policy of dividing risks meant that "an enormous amount of co-operative business was going outside the movement to private companies." Meanwhile the companies themselves were amalgamating. "Since 1888," said Mr. Smith in 1907, "32 out of 60 British insurance companies had ceased to exist by reason of absorption," and "the policy of combination was not to give the benefit of economies to the public, but to keep up premiums and pocket the gains." At the instance of a letter from the Sunderland Society the C.W.S. Finance Committee resolved (November 29th, 1906) to hold a special meeting on the insurance question, after which meeting they reported in favour of forming a special department "to deal with all forms of insurance, for societies as well as ourselves." Later it was resolved to ask authority from the Quarterly Meetings of March, 1907, for commencing such a department, but only after first approaching the Insurance Society. In consequence a deputation from the latter met the C.W.S. Finance Committee on February 15th, 1907; to do no more, however, than renew the offer of 1898. Yet the effect of this meeting was such that the C.W.S. Committee afterwards changed their attitude, and decided not to take the proposed action at the quarterly meetings, "thus affording further time for consideration and negotiation if approached by the Insurance Company."

Outside the C.W.S. boardroom, meanwhile, the movement for a unification of co-operative insurance was gathering strength. Early in 1907 (March 23rd) 150 delegates met at Stratford, London, when Mr. J. H. Bate read a paper on co-operative insurance. Mr. Bate suggested either the C.I.S. and C.W.S. combining, or the C.W.S. undertaking insurance, or the large retail societies forming a mutual insurance society; and the resolution carried urged the

The Story of the C.W.S.

C.I.S. to join with the C.W.S. "in making a more strenuous effort to enable societies to do all their insurance within the movement." Mr. Odgers replied to Mr. Bate at the annual meeting of the Insurance Society on March 30th, saying that keeping the business within the movement meant keeping all the losses also. "As it may be admitted that the profit is made out of the small business, and not out of the insurance of large risks, co-operators should be chary of taking any steps which, instead of saving a problematical 3 per cent, may easily result in serious loss." To this Mr. Archer, of the Sunderland Society, replied in the *News* of April 13th, quoting figures to prove that "the fear of loss should not deter us from going forward." And, mainly as a result of a deputation from the Middlesbrough Society to Hartlepoons in the summer of 1907, a special conference of societies interested, from Carlisle to Stockton, was held in Middlesbrough on November 9th, 1907. Here Mr. R. Smith read the paper from which we have already quoted; and Mr. Archer afterwards proposed the appointment of a deputation to urge an active policy upon the C.W.S. Committee. Despite an amendment in the interests of the C.I.S. this resolution was carried by a large majority.

A few weeks afterwards a notice of motion from the Sunderland Society appeared on the agenda for the C.W.S. Quarterly Meetings, asking that the C.W.S. executive should be directed to commence an insurance department for all risks; while Hartlepoons, Middlesbrough, and eight other societies put forward another motion calling upon the C.W.S. to formulate a scheme for placing all the insurance business of the co-operative movement under one central authority. But the C.W.S. Committee still were not anxious to take any action likely to be prejudicial to the C.I.S. Only recently the Wholesale Society had absorbed first the Hosiery Society, then the Huddersfield Brush Society, and then the Oldham and Rochdale Flour Mills. Outcries had been raised of "co-operative imperialism," and in some quarters the C.W.S. directorate was supposed to constitute a sort of collective Napoleon. Actually the executive wished to be nothing of the kind; and an invitation to rise up and conquer was simply embarrassing. When the Committee knew that a motion for an insurance department would be put forward at the December meetings it again invited a deputation from the C.I.S. to discuss the situation (October 26th, 1907). Mr. Barnett, for the C.I.S., then claimed that "the Insurance Society could take and do all the business of the co-operative movement except the large fire

The Controversy of 1908.

risks, and these no other single company acting prudently would undertake." A joint committee of inquiry of the Scottish and English Wholesale Societies and the C.I.S. was agreed upon, and in December the different proposals from the societies were adjourned at the Committee's request until March, 1908. Then, however, they reappeared, reinforced by similar resolutions from 68 other societies, great and small.

As a result of the negotiations with the C.I.S. the Committee already had become convinced that the proposals for joint working, beyond which the Insurance Society never would move, were unsatisfactory, and that an absorption was the only real way forward. Now, hopeful of this view prevailing in the conferences, they secured in March a further adjournment of the quarterly meeting resolutions. Meanwhile the agitation continued. A special committee was elected by the forward societies from north to south, and there were further conferences and reaffirming resolutions. No system of election upon the ground of adherence to this or that rival principle as yet has developed in regard to candidates for the C.W.S. directorate, but in the North a test question was now framed to elicit each man's attitude toward insurance. On the side of the Insurance Society a conservative attitude was maintained. "The strength of the movement against the existing state of affairs," wrote Mr. Odgers (*Co-operative News*, March 21st, 1908), "is a manufactured thing, having for its object the substitution of a reckless future policy for the safe and progressive policy of the past." "With the exception of taking all risks in fire insurance, which they had declared as being unsafe and gambling," reiterated Mr. T. Wood, the chairman of the Insurance Society, at the C.W.S. Quarterly Meeting of June 21st, 1908, "they were prepared to take the whole insurance of the co-operative movement, in connection with life, industrial, and everything else." The defence was so far successful that at this June meeting, although Mr. Tweddell, the vice-chairman of the C.W.S., again was the protagonist of an advanced policy, the Sunderland motion for a C.W.S. general insurance department was defeated. It was lost by 859 votes to 1,154, despite the fact of the proposals of the Northern group (now endorsed by over one hundred societies) being withdrawn in its favour. A motion by the Insurance Society itself, however, recommending a legal partnership between the English and Scottish Societies and the C.I.S., suffered so badly that it also was withdrawn, and the Insurance Society's support given to a Warrington and Manchester and Salford proposal

The Story of the C.W.S.

for referring the entire question to the Co-operative Union. The latter was carried by 1,053 to 931.

The feeling in favour of Co-operative Union mediation gained from the fact that a conciliatory set of insurance resolutions leading in this direction had been adopted by a large majority only a week or so previously at the Co-operative Congress held in Newport. But the effect of this decision may be told briefly. The first attempts at a joint conference proved abortive; the Scottish Society having no mandate to join except as a matter of courtesy. And the C.W.S., while treating the invitation with respect, knew quite well that the ground already had been explored by both parties, and the issues defined. Not unwillingly they accepted the position created by the Scottish decision, and in March, 1909, asked that the resolution of the previous June should be rescinded, and the Committee left free "to take further action when they think it advisable, and to obtain the approval of the members to their proposals." At this meeting the delegates were busy criticising the productive losses, and the recommendation was carried almost without discussion. Further attempts by the Co-operative Union failed almost equally; and at Plymouth in 1910 and Bradford in 1911 the Annual Congress received reports of no progress. And when the Congress sitting at Portsmouth in 1912 finally debated the issue, practically it simply endorsed a course of action already certain.

Notwithstanding the Sunderland defeat the agitation still proceeded. The argument for unification, indeed, was irresistible. With one federation combining banking, wholesale dealing of all kinds, and manufacturing, another special federation for insurance only seemed to have little reason for separate existence. It is true the Insurance Society was improving its position. Its total reserve grew from some £170,000 in 1906 to about £355,000 in 1911—the C.W.S. fund increasing meanwhile from £598,000 to £848,000. But since the society, while doing business with some fifteen hundred co-operative societies, even now could muster no more than eight hundred society-members, the growth of the society's reserve only furnished a stronger argument for the opposition. There were deputations to the C.W.S. to urge that many societies were simply awaiting a lead; and at last the Committee crossed the Rubicon. In July, 1909, exercising a lenders' privilege, the Committee had stipulated for an insurance in the C.W.S. fund of all properties for which money was lent under the house-building scheme. In 1910 this condition was extended to business premises on the security of



THE C.W.S. COMMITTEE (DRAPERY).

1. H. J. A. Wilkins. 2. T. E. Moorhouse. 3. D. McInnes (Chairman).
 4. T. J. Henson. 5. A. E. Threadgill. 6. J. English.
 7. J. W. King. 8. M. Parkes.



THE C.W.S. COMMITTEE (PRODUCTIVE).

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|-----------------|------------------|-------------------------|
| 1. C. Marshall. | 2. H. Elsey. | 3. W. Lander (Chairman) |
| 4. R. Holt. | 5. W. E. Dudley. | 6. A. Deans. |
| 7. P. Coley. | 8. E. J. Graham. | |

Partnership or Absorption?

which societies might require bank overdrafts. Immediately a storm arose; and special meetings were demanded by the societies friendly to the C.I.S. These were held at the conclusion of the ordinary meetings of September, 1910. The C.W.S. Committee defended their action as involving no more than a question of management entirely within the powers conferred upon them. And at Newcastle and London the show of hands upon the demand for withdrawal indicated very clearly the feeling of the majority. Yet, the question being adjourned at Manchester, it was not finally disposed of until December, 1910. Then the total vote was decisive. The motion for withdrawal was defeated by a two to one majority, receiving only 729 votes against 1,489.

Events were moving at last toward a settlement of the issue. Following the decision of 1910 the Insurance Society offered to negotiate on the basis of the accepted circular. The proposal ultimately was discussed by representatives of the two Wholesale Societies and the C.I.S. in July, 1911. It was stated that the Insurance Society was prepared to go beyond the offer of the excess risks first made in 1898. Under a proposed issue of joint policies they would hand over all the risks in which the Wholesale Society had a financial interest. This working arrangement was to be experimental for a few years, with a prospect beyond then of a possibly complete absorption. But the C.W.S. Committee by now were still more decidedly opposed to any three-cornered arrangement between the two sets of contracting parties, each representing the same constituents over again. And six months later they came to the Quarterly Meetings asking boldly "that we be empowered to negotiate with the Co-operative Insurance Society Limited with a view to taking over the whole of their business." "The whole," of course, referred to England and Wales, for the Scottish Society early had been relieved of any doubt as to whether C.W.S. action might not mean the English Society operating in Scotland. To the resolution of the C.W.S. Committee the C.I.S. proposed an amendment asking for a special committee to consider and report upon the much-discussed question.

The decision of the constituent societies was made evident at the branch and divisional meetings a week before the final general assembly at Manchester. When the thousand delegates to the latter gathering filled the Mitchell Hall with animation on a dull, wet Saturday afternoon of December, the only question was the proportion of the C.W.S. majority. Mr. T. Wood, the C.W.S.

The Story of the C.W.S.

accountant before 1884, and still an auditor of the Society's accounts, as chairman and senior director of the Insurance Society, now moved the C.I.S. amendment. It was a militant speech, broken by minutes of uproar; and speaker succeeded speaker afterwards in an atmosphere tense with expectation. Forty minutes of concentrated debate sufficed, for the meeting was impatient of trivialities, and "get agate o' sayin' summat" was the sort of interjection always likely to come swiftly out of the gathering. When the hands went up there was a fair show for the amendment; but the almost solid mass against it was overwhelming. Reduced to figures, the voting showed a rejection of the C.I.S. proposal by nearly six to one, the totals being 148 and 847, whereas the previous meetings had yielded a proportion of little more than two to one. Altogether, the amendment was lost by 617 against 2,039, and the Committee's proposal was carried by assent. Subsequently the meeting was declared special for an alteration of the rules enabling the C.W.S. to undertake life assurance, and also health insurance under the Act of 1911, and to this proceeding there was no opposition.

As already stated, at Portsmouth in the following May the Congress approved a recommendation of the Co-operative Union endorsing the decision of the C.W.S. December meetings, the delegates declining to accept Mr. Wood's dismal suggestion that this was the end of co-operative democracy. Meanwhile, the Committee of the Scottish Wholesale Society and the committee of the Insurance Society obtained powers to negotiate; and, during the summer and autumn months of 1912, meetings of representatives of the three bodies were held to arrive at terms. Offers, counter offers, and prolonged discussions resulted eventually in a provisional agreement by the Wholesale Societies to take over all the engagements, business, and funds of the C.I.S., and to pay over to the society-shareholders a sum of £120,000, in addition, of course, to the amount of the paid-up capital. From this latter sum each of the latter was to receive £2. 10s. in excess of each £1 share, or a total return of £3. 10s. for every share, and a balance was to go toward paying a special dividend on other than life assurance premiums received from the shareholders during the previous nine years. At the independent suggestion of Mr. James Odgers, the C.W.S. Committee further agreed to pay an additional £3,000 in compensation to the retiring directorate. There were guarantees on both sides also: the C.W.S. promising three years' service to every employee not guilty of misconduct, and salaries or annuities to the chief

The Settlement of the Issue.

servants; while the Insurance Society undertook to make a willing transfer and carry on the business in the interests of the two Wholesale Societies until the completion of the transaction.

In December, 1912, the agreement came up for ratification by the members of the English federation. To the general terms no exception was taken; but the provision for the directorate aroused an instant opposition. The sum was equal to ten years' fees, whereas the rules of the Insurance Society obliged each member of its committee to seek re-election every two years. To recognise any interest in the position beyond this period was felt to be contrary to democratic principles, as was a proposed apportionment of one-half the sum according to years of office. So strong was this opposition at the branch and divisional meetings that it threatened entirely to block the transfer. Adroit action by the C.W.S. Committee, however, at the following general meeting, immediately pacified a threatened storm. They proposed so to modify the terms as to pay over one sum of £123,000, without reference to directors' compensation, leaving the settlement of the latter to the members of the C.I.S. The movers of amendments at once sought permission to withdraw, but the fact of all the meetings constituting simply so many sections of one meeting made this impossible, and the delegates spent ten minutes in steadily voting down their previous decisions, not less mechanically than members of Parliament go through a series of divisions. This over, within thirty-five minutes from the opening of the meeting a great burst of applause marked the ratification of the agreement in England, and practically the end of a five years' agitation. Subsequently the amended terms similarly were endorsed in Scotland, and also by the members of the C.I.S., who, however, cut down the £3,000 compensation to the sum of two years' fees, £600. The decision of the C.W.S. left room for different methods of effecting the transfer, according to legal advice; but it is not too premature to foreshadow a joint insurance department of the two Wholesale Societies, carried on by the English and Scottish federations under a legal partnership, after the manner of the joint tea department.

Thus the movement for unification succeeded. It had involved a determined contest, and hard things had been said on each side. At different times the existence of the issue had been regarded in some quarters as almost a scandal, and at any rate a reflection upon co-operative fraternity. But a sentimental agreement, or pretence of it, that would preclude a healthy outspoken discussion of

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differences, would be a stifling thing. One may quote the humorous remark of a man about to be married: "Quarrels? Of course, we shall have quarrels! We don't want a dull monotony." Our main business in this world is not to conceal our natural differences, but to provide against inhuman modes of settlement. And in all the issues between the C.W.S. and the societies which it has taken over democracy on this ground may claim a victory. Practically the business of the C.I.S. was respected all along, and left uninjured by competition. Its employees never were in fear of being thrown on the streets; the full-time agents were provided for; and it may not be too much to say that not a single person suffered any real hardship. Yet the forces employed in deciding the issue were not essentially different from those used in commercial competition or actual war. Battles are won by big battalions; business rivals are crushed by the weight of superior capitals; the military commander and the business organiser both strive to bring to bear a more effective strength of numbers. The leaders in these issues between co-operators did the same, with the difference that the hands held up in support or opposition were not shot away, or thrown into idleness, but remained to grasp the right hands of adversaries.

It has not yet been said that the settlement of the co-operative insurance question received an unexpected impetus from the introduction and passage into law of the National Insurance Act. Not being represented in Parliament, co-operators as co-operators took no direct part in shaping this measure, and were unable to pronounce for or against it. The Joint Parliamentary Committee (of the Co-operative Union and the two Wholesale Societies) could only watch its progress and exert such influences as the leaders of the Women's Guild also exercised in the interests of married women co-operators, not quite without effect. The official report to the Congress which met at Portsmouth in 1912, however, included a careful study of the scheme in its relation to co-operators, together with reasons for believing the two Wholesale Societies to be "the only existing co-operative agencies through which this scheme could be satisfactorily worked." "The only alternative," said the Parliamentary Committee, "would be the formation within the movement of an entirely new organisation." But against the latter course the Congress already had pronounced. At Bradford, in the previous year, the appointment of a committee to deliberate upon a Co-operative Friendly Society was advocated by Mr. Alfred Wood, with the result of a majority deciding against his proposal. At a time of

The Health Insurance Section.

friction arising from an old and once-justifiable policy of separate societies for separate functions, co-operators were hardly likely to be persuaded into even a possibility of creating new difficulties for the future. Not a separate society, but action by the great business federations was expected. In the discussion at Portsmouth the report was challenged by Mr. T. Wood, and defended by Mr. T. Tweddell, whose view was that of the majority. And already (March, 1912) the C.W.S. Committee had been empowered either to become an approved society under the Insurance Act or to form a separate section. The latter course proved to be the practicable one; and in September, 1912, it was formally announced that the section had been formed, and that over 100,000 persons had been admitted. The membership of this section necessarily being individual, it conferred no privilege of course in regard to the Society generally. It had been accepted that the C.W.S. Committee should be the Committee of the section for the first three years, and committees of the constituent retail societies everywhere were invited to act as local committees under the Act. The work of organisation, under Mr. Brodrick as secretary, was entrusted to Mr. R. Smith, previously of Hartlepool. In June, 1913, the membership of the section included 165,000 persons. While the C.W.S. thus went forward the C.I.S. also instituted an approved society, but it attained no great proportions; and in July, 1912, it was merged into the C.W.S. Health Insurance Section for the English and Welsh members, and in the Scottish Co-operative Friendly Society for those beyond the border.

The C.W.S. and C.I.S. controversy related chiefly to fire insurance; yet to a democratic movement like the co-operative it is the insurance of life, and the risks incidental to working life, which (without minimising the importance of property) will ever be of most interest. Here is ground that the plough from the Lowbands Farm hardly has broken as yet. The National Insurance Act does not provide death benefits, although death is a certainty, and the loss of a bread-winner always is a calamity. The field is mainly occupied by the wealthy industrial assurance companies; and the cost of their methods was illustrated in a pamphlet by a barrister, Mr. J. F. Williams, published in 1912 by Messrs. P. S. King and Son. According to the statistics set out by this writer, the ordinary life insurance companies, dealing with the middle and upper classes, were then collecting nearly twenty-nine millions yearly, paying out over twenty-one millions, and returning less than half-a-million to shareholders. The industrial companies, dealing with the poor, collected

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over fifteen millions, paid out only six millions, and returned nearly three-quarters of a million to shareholders. The ordinary companies paid over two millions in surrender values. The industrial companies gave back to the poor who renounced their claims only one-seventh of that sum. "On this showing the poor have lost about £3,500,000 in a single year." In other words, for every £1 they received in insurance from the industrial companies, a management working as economically as the rich men's companies work could have given them 30s. Through its network of stores the co-operative movement could save for the poor at least a fair part of this multitude of excess half-sovereigns, an authorisation to deduct from the quarterly dividend taking the place of the quarterly cheques of the well-to-do. In short, the movement has the machinery at hand for meeting every insurance need literally from the cradle to the grave.

A history is not the place for prophecies; but it may indicate the direction in which the movements of the past appear to tend. And this is toward simpler, more direct, and better means of coming to the public, of meeting all public needs, and maintaining a proper place in the full stream of public life. It was said of the insurance question: "This is not a matter of C.W.S. or C.I.S., but a question of service to the movement." In fulfilling the purposes of a banking department, in producing for co-operators' uses, in insurance, in its advertising and publishing, and in all its functions the C.W.S. to be entirely successful must more and more reach the actual ultimate co-operator. And it can do so, not by dominating the co-operative societies, but by the societies realising what is to be gained from the local national sections of the one movement working together still more intimately. To make more direct the relations of consumer and producer, to simplify machinery, to eliminate the methods of circumlocution offices, and to associate the millions of co-operators in a bond of living conviction, proved by the response of the machinery to daily uses and more than everyday uses—still must remain the ideal of the practical-minded co-operator.

CHAPTER XXVIII.

THE SOCIETY AND ITS EMPLOYEES.

No Employer of a more varied Body of Workers—Progress in Wages and Conditions—Untabulated Benefits—Dining-rooms—Superannuation and the Thrift Fund—Minimum Wages—Compulsory Trade Unionism, "Welfare Work," and Co-operative Principles—A Neglected Problem—Sick Clubs and Benevolent Funds—Educational and Social Activities—The Annual Picnic—The Fire Brigade—Our Guests—Looking Backward and Looking Forward—Years 1863–1913.

THE time was 1864, and the place of business of the "North of England Co-operative Wholesale Industrial and Provident Society Limited" lay in a small house in Cannon Street, Manchester. You went along a narrow passage to a little room, where samples of groceries stood in paper bags on a shelf put up temporarily. A buyer, a warehouseman, and a boy were the sole permanent occupants. The tenants were new. They had taken these as "larger and more commodious" premises, and they were not shrinking from an increase of staff. The opportunity of a clerkship came to a young "Son of Temperance." He had another opening in view, in connection with a firm of tanners in Salford, and his parents discussed the outlook with a fellow "Son," whose name was Mitchell. The latter was himself "a thin slip of a young fellow," not yet a member of the C.W.S. Committee.

"I don't see any prospects at Cannon Street for the lad to look forward to," said the father.

The eyes of the co-operator lit, and his gestures told his earnestness. "Believe me," he said, "we shall sail our own ships yet."

"Oh, John," exclaimed father and mother together, as all except the future chairman laughed at the idea.

"They'll be paper boats in the gutter," added the father.

"Well, I advise you to let him go," replied Mitchell.

The lad of 1864 was the late Mr. James W. Beresford. He

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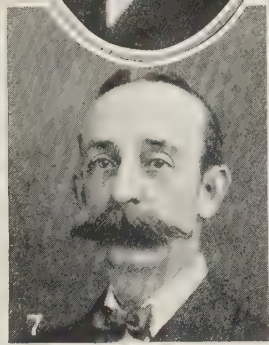
entered the service of the C.W.S., and remained for forty-five years, living both to sail on a C.W.S. steamship and to count some eighteen thousand persons as fellow-employees.

By October, 1912, the thousands had increased precisely to 21,210, exclusive of temporary workers. There are, of course, larger employers. The Government and the big railway companies easily would exceed the C.W.S. figure. The leading shipping companies possibly have longer rolls, and also the different trusts and combines that flourish on British soil, if under this head they could be reckoned singly. But it may be questioned whether there exists any employer of a more varied body of workers. C.W.S. employees are to be found on land and sea, in all parts of England and abroad, attached to warehouses, factories, and farms. Men and women, girls and boys—they include clerks and salesmen of nearly all degrees, architects, chemists, lithographic artists, journalists, engineers, electricians, watchmakers, mechanics, shoemakers, weavers, bakers, printers, tailors, millers, bricklayers, joiners, masons, metal-workers, knitters, corset-makers, seamstresses, cabinet-makers, chauffeurs, saddlers, packers, fruit-pickers, seamen, potters, tobacco workers, dairymen, slaughtermen, carters, farm labourers, and so on through another score of trades. The co-operative movement was described years ago as a state within a state. This, perhaps, was flattery, yet merely that part of it which is the C.W.S., as an aggregation of workers, certainly resembles a nation in miniature—a nation with no idle rich.

As the number of the C.W.S. employees grew the relation of the Society with them more and more became a problem. The first ideal, or illusion, was that of copartnership and profit-sharing. This dispelled,¹ the previous question remained. By all the traditions of the past and the associations of the present, the Society was bound to improve upon the measure of contemporary capitalism. The obligation affected the opponents of profit-sharing even more strongly than its advocates, for the adoption of that system was a way of escape. It is remembered of Mitchell that practically his last words at the last meeting over which he presided were: "Gentlemen, you are not sufficiently considering the servants."

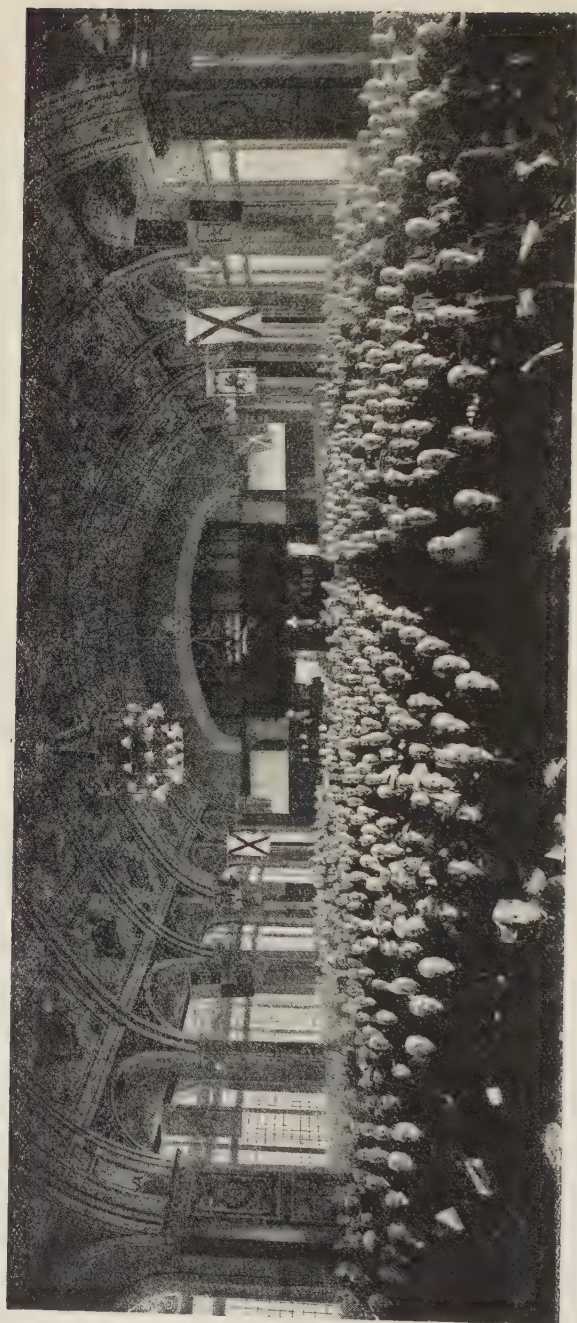
The answer to the believers in bonus took the form of making the best of the wage system. A neat way of recapitulating the history of labour is sometimes put before us in three words—slave, serf, hireling, after which you are to add "co-partner."

¹ See Chapter XVIII.



C.W.S. AUDITORS AND SCRUTINEERS.

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|--------------------------------|-----------------------------|------------------|
| 1. J. J. Barstow (Scrutineer). | 2. F. Hardern (Scrutineer). | |
| 3. T. Wood. | 4. C. J. Beckett. | 5. T. J. Baylis. |
| 6. J. Smith. | 7. B. Tetlow. | |



A C.W.S. GENERAL QUARTERLY MEETING.

The General Quarterly Meeting in the Mitchell Memorial Hall, Balloon Street, Manchester, on June 21st, 1913,
as seen from the platform.

Wages and Conditions.

But a man is not necessarily a hireling because employed at a fixed wage; otherwise many famous ambassadors, admirals, generals, and public officials could be so written down. At the time of the strikes of 1911 Sir George Askwith, for instance, was such a paid servant, with no expectation of a commission or bonus on the sum that his arbitration might save to the nation. There is nothing necessarily degrading in payment by wages only, so long as there remains some rough and tolerable justice in the proportion of wages to service. And while rejecting profit-sharing, the Committee, in the main, endeavoured to deal justly. It is said that working men are always the worst employers. Usually this opinion is arrived at by generalising rather too freely. No doubt there are co-operators always to be found who willingly would "muzzle the ox," but a dispassionate study of any history of co-operators as employers is likely to show the more generous mind as predominant. In the case of the C.W.S., the memories of old employees bear witness to a liberal tendency, also indicated by the official figures of the Society. The *C.W.S. Annual* gives every year a ratio of wages paid in the distributive departments for every £100 of sales, and this figure has increased every decade, being 5s. 1d. in 1871, then 10s. 10d., 15s. 1d., 19s. 2d., and 20s. 6d. in 1911. This, however, does not mean that wages have trebled or quadrupled, for these figures are greatly affected by extensions of the business into new trades more costly to work. A closer reckoning is afforded by statistics from the wage-books for the main departments at Balloon Street. These figures go back to 1869, and, if we take 1872 as a basis, they show *an average improvement* over that year *per head* of 4s. 9d. in 1882, 6s. 1d. in 1892, 8s. 3d. in 1902, and 12s. 7d. (or 50 per cent over 1872) in 1912. But again, being an average over all classes and ages in a body of employees increasing from 32 in 1872 to 1,684 (in these departments) at the end of March, 1913, these comparisons are not to be taken as of certain value in themselves, but simply as witnessing to a progressive policy.

While the standard of wages thus was rising, the general conditions also improved. The hours of employment in the offices and warehouses decreased to 44 in 1903. Rather more than two half-day holidays are needed to equal the value of a full day, especially where train journeys from suburbs are demanded, and the public holidays that before 1898 used to be half-days at the C.W.S. are now full days. The annual holiday for the clerical and

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distributive workers increased from seven days to ten and then (1896) to fourteen, which is the present maximum for all employees from the office boys to the buyers. Overtime for the clerical staff and in the warehouses long has ceased to be the terror that it was, and this while the accommodation for the clerks has changed for the better. Mr. Stott, of the C.W.S. Bank, first entered the service of the C.W.S. in 1870, and can speak in 1913 of the conditions of those days. From the earlier year until well into the eighties frequently there would be overtime every night, and far into the nights, as well as on Saturday afternoons, with a few pence for refreshments as the sole reward. A systematic reduction of overtime, as well as a higher scale of wages, is represented by the figures previously quoted. It should be added that these improvements preceded any organisation of the workers, and were due to no permanent collective pressure by the employees themselves.

Alike in C.W.S. departments and works trade union wages and conditions is the general affirmation. But in every case the full value of the statement can only appear in relation to details which cannot be reduced to figures. A fair day's wage for a fair day's work, we say. It seems a simple proposition, comfortably to be settled over a pipe and a newspaper after supper. Actually, even that sort of justice which reasonable men are willing to put up with in a non-millennial age cannot be rendered without a close reckoning with factors obscure, delicate, and complex. If not only the wages per hour or by the piece, but also the quality, the intensity and the strain and anxiety of human effort—if all could be reduced to a unit of simple value, probably we should find employees in advertised model workshops in worse condition than others less well paid. Upon any fair balancing of conditions, the C.W.S., in regard to the classes of labour which most suffer under competition, would stand very high indeed.

The establishment of a minimum wage for men and women will be reviewed later. Apart from this, the employees in nearly all the C.W.S. productive works have enjoyed an advantage in hours. An official return, prepared in December, 1911, showed that of fifty factories and productive and packing departments, thirty were under a 48-hour week or less, while twenty exceeded that figure by three to eight hours weekly. Of all the employees, over 4,000 were then on 44 hours or less, over 7,300 on 47 to 48 hours, and only 866 exceeded 53½ hours. In many instances, the fewer hours

Untabulated Benefits.

means a payment of wages above the trade union rates—a payment made when especially needed, since overtime in most trades occurs before holidays. Further, co-operative employment is, in the main, more regular than the average. This is not to say that fluctuations in seasonal trades have no evil consequences for C.W.S. workers, but that individual customers, stores, and warehouses usually are all willing to put up with some inconvenience in the interests of a better-regulated demand. "We have had practically no short time from the commencement of these works," reported the manager of the Rushden Boot Factory in 1905; "we are inundated with applications for employment." And (in the following year) "the regularity with which we are enabled to run these works—without either short time or overtime—no doubt has much to do with the large number of applicants we now have waiting for employment." Again, there is as a general rule nothing in the shape of driving. "Two or three years back," said the *Wheatshaf* of September, 1905, "the case of a girl weaver committing suicide through being driven at her work called out a storm of indignation in North-East Lancashire. In the C.W.S. Weaving Shed there is no driving—no bullying." No fines or deductions from wages are enforced in any of the works or factories, and dining-rooms exist where the distance that workers may have to travel renders that provision necessary. Perhaps few people outside Manchester and the East End of London know the kind of dining-room to which great numbers of girls and women are limited; and, therefore, we may be pardoned this further quotation from the pages of the same magazine:—

In such a place as Manchester, where, every morning, thousands of machinists come in from the suburbs, numbers of cheap eating-dens and "tuck shops" are hidden away in the by-lanes of the city. They are popularly supposed to be "gold mines" for their proprietors. Certainly they pay high rentals. You leave the murky daylight of the street and drop into a cellar. You are met by the blended ascending fumes from cooking meats and fish, a gas stove, a dozen incandescent burners, and the mingled breath of crowded fellow-creatures. A procession of poorly-clad, anæmic girls, each bearing a jug, enters with you. They wait what seems an interminable time at the counter, then depart with their "dinner"—bilious-looking pastry or teacakes, "chips," perhaps a piece of chocolate, and the inevitable jug of tea. Where is it eaten? Better not inquire. Probably in a workroom, in air vitiated by a morning's toil, where the windows must be kept closed for the comfort of the diners, and where inadequate heating makes the evil of ill-ventilation seem a good.¹

¹ "Shirts and Shirtmakers," *Wheatshaf*, March, 1913.

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The writer then described the dining-room at Broughton.

A high, airy, well-lighted place, with brightly-tiled walls, plain but cheerful. There are chairs and tables for seven hundred girls, and equal provision for men on the lower floor. A typical week's menu gives the choice of roast or boiled mutton and beef, fish, and four entrees, at a charge of 3d. to women and 4d. to men. Another copper procures either boiled or milk pudding. Those who bring dinner from home may have it warmed, and tea or cocoa costs $\frac{1}{2}$ d. or 1d. Is not such a place a very real health insurance? But it is one of the many details which cannot be reckoned statistically by figures of wages.

William Morris sang of a day to come when every man would be happy in the security of his livelihood—

And this I tell for a wonder, that no man then shall be glad
Of another's fall and mishap, to snatch at the work that he had.

In the present world security is the least of two evils. Young, strong, and clever workers may reckon it no advantage. Life under a systematic security of tenure may seem to them a dull affair, tender to the slow, while offering few opportunities to the able. They will be tempted to yearn for the fall that cuts down the years of waiting. Yet, where insecurity is systematic, success is always dogged by anxiety. The victor of to-day is destined to be the vanquished of to-morrow; the power of discharge may at any moment be abused; and the men who remain grow old under the fear of the sword that hangs by a thread. A reasonable security also may be abused; nevertheless, it will mean less anxiety, less fear of the future, less scope for unscrupulous action by subordinates, equal or superior—in short, an advantage in comfort to a whole body of employees. The fact of this being a real benefit has been confirmed recently by a skilled observer, well known to the writer, and exceptionally able to speak of C.W.S. and other conditions. He says: "You feel at once a difference of atmosphere. In the C.W.S. factories the workers are more comfortable. It is human nature to get used to comfort quickly, and after a time the difference won't be noticed by the workers themselves. But it's there, and it's because everybody is sharing to some extent a security and freedom that in the private factory only belongs, as a rule, to the higher and more privileged workers."

Along with a security akin to that of government or municipal service, C.W.S. employees possess a right of which the Civil Servant is deprived. The latter may not assert his citizenship to the full by taking an active part in politics. But as a co-operator, the



BALLOON STREET, MANCHESTER: INTERIOR VIEW OF THE C.W.S. BANK.



BALLOON STREET, MANCHESTER THE C.W.S. DINING ROOM ON A MARKET DAY.

The Question of Superannuation.

C.W.S. employee has an equal liberty with all other co-operators. Admittedly, this position has not existed without question. It has been said that C.W.S. employees should occupy no forward place in any co-operative society or in the co-operative movement. This view would allow a part to the man who is a private trader, or is interested in some commercial venture, or is in need of employment in some factory, or is more of a politician or a freemason or a sectarian than a co-operator, and would refuse it to the one whose bread depends upon the success of co-operation. However, it has never prevailed. C.W.S. employees have held office in innumerable co-operative societies, have spoken as delegates at C.W.S. Quarterly Meetings, have been leaders in the Co-operative Union, and have presided over Co-operative Congresses. In the early days C.W.S. Committee-men came out of the boardroom to enter the service of the Society; and, in later years, C.W.S. employees have stepped out of the twenty thousand to a seat amongst the thirty-two. A hireling becomes so not by receiving wages, but by having little care in him except for the price of his hire. In so far as he is interested in the Society that employs him, if only in its commercial advancement, the C.W.S. employee becomes more than a hireling. And it is the glory of its democracy that the Wholesale Society, through the open door of its constituent stores, offers to every employee an equal voice in the control of the store movement and all it represents.

Within its limits, as an institution surrounded by competitors on every side, and dealing with a human nature reacted upon by the dominant ideas of competition in money-making, the C.W.S. thus may claim to have improved the everyday position of the average wage-earner of either sex within its employ. It is a claim supported by the steady attachments of workers, the few migrations, and the number of applications for employment. "During the twenty years of the factory's working," said the *Wheatsheaf* in 1908, concerning the Leeds Clothing Factory, "with the exception of one who afterwards asked to return, no man has willingly quitted the C.W.S. to seek another employer." "When our new shed is ready for working," reported the manager of the same business in 1897, "I can fill it without advertising." . . . But with relatively good wages and conditions conceded, and a high percentage of permanent attachments secured, there remains the question of declining years. To meet this need the C.W.S. Committee first took action in 1887.

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In March of that year they asked the Quarterly Meetings to adopt the principle of employees' superannuation. "The idea," said Mr. Stansfield, at Newcastle, "had sprung entirely from the Board itself." "For fully four or five years," said J. T. W. Mitchell at Manchester, "the Committee had been considering this question and deliberating on what form it should assume. . . . Many plans had been considered, but none of them were satisfactory, until last year they came upon a plan that had been put forth by the London School Board . . ." It appeared that the approved idea, which the Committee had intended to reserve for detailed statement, was "to appropriate out of the profits a sum equal to about 2 per cent on the wages . . . about £2,122 a year." From the fund so formed all employees of 60 or 65 years, having ten years' service or more to their credit, were to draw on retirement in proportion to that service. It was to be a sheer benefit. "We do not propose," said Mitchell, "that the work-people shall contribute a farthing." But this was the period of Bradlaugh, and the heroic individualism of the member for Northampton considerably had impressed itself upon co-operators. The very word "pension" was anathema. And notwithstanding the Committee's discrimination between "pensions" and "superannuation," their proposal, too, was regarded as heretical. It meant "putting a damper on one of the grandest characteristics of the movement—that of self-dependence." "They would attach to the rising generation a stigma," said another delegate. "A most pernicious system, pauperising in its tendency and effect," declared another. At the London meeting superannuation was opposed as "a stumbling-block always to the institution of bonus, which was a principle of which they all approved." In vain was the strong support which three prominent delegates not then members of the C.W.S. Committee—Messrs. Tweddell, Goodey,¹ and Elsey—lent to the Executive. They could not even obtain an adjournment, for a majority was hostile altogether, and superannuation was ruled out, yet not without Mitchell hinting at a re-introduction.

Nearly ten years passed, however, before the Committee again asked for power to prepare a scheme. The old faith in every man looking after himself then was declining. Old-age pensions had been popularised by politicians and methods of superannuation adopted by large employers. This time, therefore, the Committee had no difficulty in obtaining the desired power; and in September, 1897, the

¹Mr. Goodey was off the directorate from 1885 to 1889.

The Thrift Fund.

scheme appeared. It provided for all permanent employees of the C.W.S., whether earning fixed wages, salaries, or payment at piece rates; and it also was open to employees of the distributive societies affiliated. Thus it applied not to the C.W.S. only, but to the whole store movement, the wider reference being designed to meet an objection arising from the lack of such a provision for retail workers. Employers and employed each were to contribute $2\frac{1}{2}$ per cent on wages, superannuation becoming possible at 60, on a basis of from 25 to 67 per cent of the average weekly earnings. The scheme was only to cover wages and salaries below £250, or that part of a salary below £250, and no deduction was to be made from, or liability incurred upon any earnings above this limit. In case of death before the age of possible superannuation the next-of-kin was to receive both the individual's and the Society's contributions. Adjourned at the September meetings, the scheme came before a special meeting in January, 1898. But again the verdict was for rejection. Mr. Redfearn (of Heckmondwike) took the lead in condemning any scheme "unless supported entirely by the contributions of the employees themselves." Against an average wage of 25s. 6d. per head for each C.W.S. employee he gave the figure of 18s. as being the average of 450 workers for a large Yorkshire firm known to him. Were the recipients of 18s. to subsidise the people who were getting 25s.? And although the recommendation of the Committee was advocated powerfully by Mr. Shillito, Mr. Tweddell, and other leaders, the proposals were adjourned at Newcastle, defeated at London, and finally lost at Manchester.

At Newcastle Mr. Tweddell referred to a vote of thanks as "the only bit of practical business you have done here to-day;" yet the entire proceedings were not so barren. After the rejection, Mr. Redfearn explained that he "wanted to bring something out of the Wholesale scheme," and Mr. Shillito, undiscouraged, hoped ultimately for a positive result, saying:

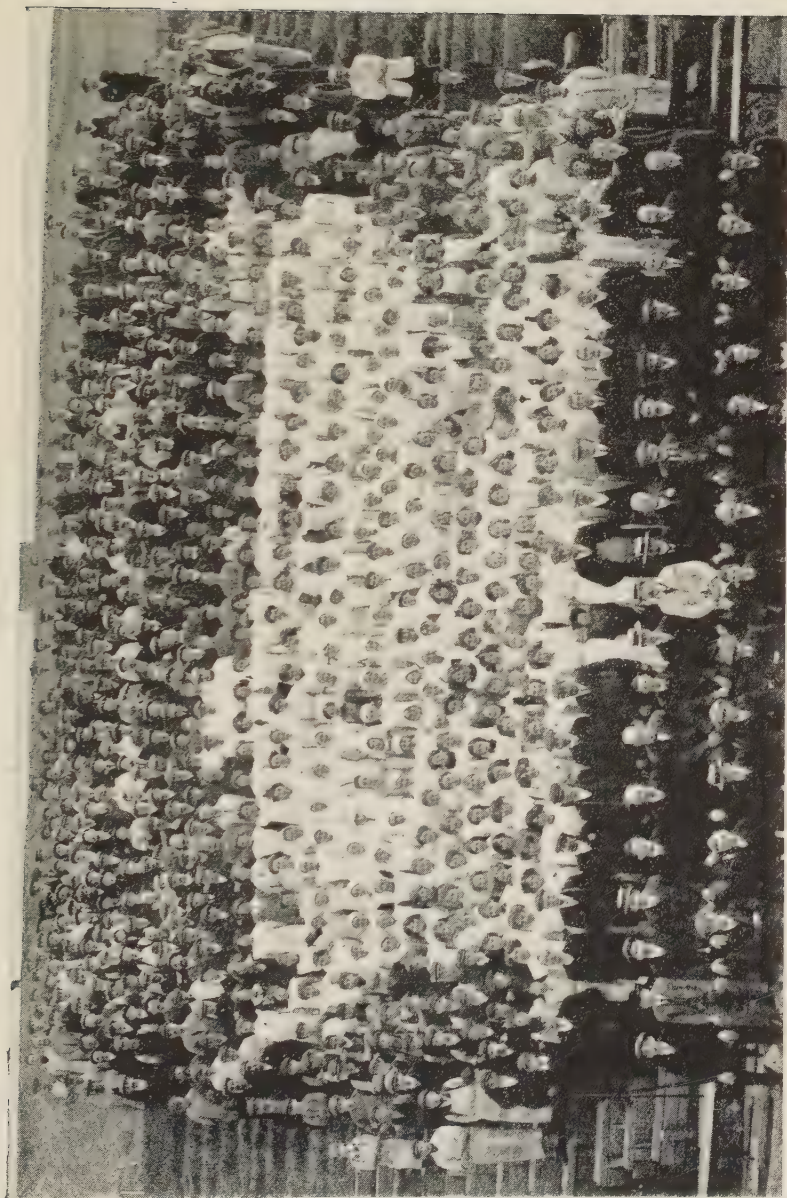
One of the hardest things that co-operators have to do is certainly this—to ask one of your servants who has worked faithfully, honestly, and disinterestedly for thirty or forty years to pass into private life without any recognition. Now, if he could have some provision made for his retirement, it would be a blessing to him and a very great gain to the whole co-operative movement. . . . Men who have served you so long and so faithfully should not be forgotten in their age and necessity.

Another movement in this direction was certain, but in the next instance it began very properly with those most concerned. A sick

The Story of the C.W.S.

club and a benevolent fund already being in existence, at the instance of their combined committees a crowded meeting of employees was held after working hours on January 25th, 1904, in the old meeting hall at Balloon Street. The business was the formation of a thrift fund against old age; and as an outcome of the meeting the creation of a fund was proceeded with. A deputation from the promoters to the C.W.S. Committee asked that the Society should deduct the subscriptions from the wages at the time of payment, and should receive these on deposit, at interest. A further petition invited the Society to follow the example of municipal corporations and railway companies by supplementing the subscriptions. On this latter point the Committee came to the Quarterly Meetings in June, 1904, proposing a grant of $1\frac{1}{4}$ per cent, or 3d. in the £, on the wages of all employees joining the fund. The rules already adopted for the latter provided for subscriptions of 9d. in the £, or 6d. in the £ for those earning less than 40s. weekly. These contributions were to accumulate in a sum withdrawable only upon the employee leaving the Society, or retiring through old age or incapacity, or at death. Provision was made, however, for a partial withdrawal in case of distress. Membership was optional, but an employee once a member must so remain. Out of 1,200 members then possible at Balloon Street, over 400 had joined the fund by the middle of 1904.

Together with the proposal of the Committee there came to the delegates an amendment from the Manchester and Salford Society, desiring a grant of 3d. in the £ on weekly wages of over 30s., and 6d. in the £ on wages of all below this figure. But the final arbiters were not in a hurry to face the question. In June, 1904, the consideration of the problem was adjourned till December, then adjourned again until June, 1905, then put off for a year—until the constitutional issue should be out of the way—and then relegated to the December of 1906. At this point, when the Committee's recommendation and the Manchester amendment promised to appear together every season indefinitely, like "twin stars" on a play bill, a companion amendment from the Gateshead Society was accepted. The successful proposal, which required a joint committee of the Executive of the Society and its servants "to formulate a scheme for an employees' thrift fund," itself was eighteen months old. Under such circumstances, the Beswick Society now suggested an early date for the report, and took the further precaution of naming June, 1907, as the time for considering it. The Beswick motion also receiving approval, the joint committee got to work



EMPLOYEES AT THE C. W. S. IRLAM SOAP WORKS—A TYPICAL GROUP.



GROUP OF EMPLOYEES: C.W.S. CRUMPSALL WORKS.



EMPLOYEES AT THE E. AND S. C.W.S. COCOA FACTORY, LUTON.



EMPLOYEES AT THE C.W.S. LONGSIGHT WORKS.

Minimum Wages.

and reported faithfully in May, 1907. In the main the Committee accepted the original proposals, together with the Manchester and Salford amendment in favour of the lesser wage-earners. Thus, the Society was to grant 3d. in the £ on wages over 30s. weekly, and 6d. in the £ on wages under that sum, an option of contributing 6d. instead of 9d. in the £ being conferred upon earners of less than 40s. A further modification was in favour of girl and women employees leaving to get married. Instead of the Society's contribution becoming absolute only after ten years' service, one-half the addition was to be enjoyed after a five years' employment. All employees were to be eligible to join after a six months' continuous attachment. Certain temporary rules also were drafted to ease the position of older workers already committed to other contributions. The management of the fund was to be vested in a committee of eleven—six appointed by the General Committee and five elected by the members. The report was signed by Messrs. Shillito, Tweddell, Lander, and McInnes (the four chairmen of committees) for the C.W.S., and by Messrs. Goodwin (chairman of the existing fund committee), Blake (Newcastle), Jackson (Bristol), and Grundy (Manchester) for the employees. Thus endorsed, the scheme at last was adopted. Despite the renewed contention that "it was not a sound principle in a democratic body to legislate for a certain section at the expense of another, particularly when that section already was better provided for than the great majority of the members of their societies who indirectly would have to find the money for the scheme," the recommendation secured 1,199 votes at the divisional meetings against 161; and at the following general meeting the opposition was overwhelmed simply by a show of hands. At the end of 1912 11,363 employees were members of the fund, and the total standing to their credit was £167,841.

"All workers want four things," wrote Mr. Philip Snowden in the *Daily Mail Year Book* for 1913, "and if these four desires were gratified most of them would probably think that there was nothing more to be desired." These four were: (1) "assured employment," (2) "a decent wage," (3) "guarantee of provision in case of permanent inability," (4) "a reduction in the number of working hours." One would like to think that any man not innately servile would desire at least one thing more: to feel himself a free and responsible agent, on terms of human relationship with his superiors, and not to stand to his task simply as a wheel of the machinery, a

The Story of the C.W.S.

mere unit of business arithmetic. Indeed, this spiritual, as distinct from material, demand may be felt to move, blindly and unconsciously perhaps, within the visible works of labour unrest. However, so far as they go, there is no doubting the four points. During the last dozen years they have crystallised in the demand for a minimum standard of existence, meaning on the side of wages a minimum wage. It is notable that one of the first, if not the first, proposal of the kind made in this country came from a great co-operative leader, Lloyd Jones. Writing in the *Beehive* in July, 1874, he urged upon the Northumbrian miners that they should stand for a minimum wage instead of a sliding scale. The Australian legislation of 1896 onwards drew attention to the possibility of a legal minimum; and the formation of the Anti-Sweating League and the holding of sweated industries exhibitions (to which the C.W.S. and other co-operative societies subscribed) paved the way for the present Trade Boards. Meanwhile the Amalgamated Union of Co-operative Employees had named 24s. a week as their minimum for men. Unofficially one or two C.W.S. factories early adopted this rule, and in August, 1907, the C.W.S. Committee decided that this should be the minimum for adult male labour in all C.W.S. factories, warehouses, and offices.

There remained the economically more difficult question of a minimum for women. Following the sweated industries exhibitions, the Women's Co-operative Guild, at its Ipswich Congress in June, 1906, passed a resolution in favour of a minimum wage for women in the co-operative movement. The Central Committee of the Guild then approached the Amalgamated Union of Co-operative Employees, which at that time had named a minimum for men, but had not fixed a minimum for women. In the next year, 1907, at the Congress of the general co-operative movement, held in Preston, the principle of the minimum was affirmed, and the executive of the Co-operative Union was urged to prepare a scheme. The United Board called to their assistance the guildswomen and the employees' union, who already had collected evidence as to wages paid by co-operative societies generally. Meeting at Lemon Street on February 8th, 1908, Messrs. Bisset, Millerchip, and Golightly (for the United Board), Mrs. Gasson and Miss Spooner (for the Guild), and Messrs. Hewitt and R. J. Wilson (for the A.U.C.E.), drew up the now well-known "Congress scale." For youths of 14 years the wage was to start at 6s., and rise in seven years to 24s. Girls were to begin at 5s., and by yearly increments attain 17s. at 20 years. The legal minimum wages fixed by the Trade Boards are accompanied by

A Minimum for Women Employees.

provisions permitting learners to enter a trade at any age; and the rates are reckoned per hour. The Congress scale ignored hours of labour and was based on age simply. At the Congress of 1908 the Bolton Society, while sympathetic with the object desired, moved that the actual scale be referred back for fuller consideration, but the voting in favour of the table showed a large "majority over the amendment." The next year, when the Congress met at Newcastle, an official resolution, in recommending the scale, stated that it had met with "general approval;" and though the Woolwich Society sought to provide for the first and last figures only, leaving the intermediate details to the management committees concerned, the rate as it stood was re-adopted. At this Congress Mr. Lander first hinted at the practical difficulties there would be in such absolute figures for a body like the C.W.S., and said he was "coming to the conclusion that there was no way of doing this (fixing minimum wages) except by legislation and the establishment of wages boards." In 1910 the Congress met at Plymouth. It was stated that the Congress resolution had been sent out to 1,500 societies, but only 79 were willing to adopt the scale. This was regretted, and again the payment was urged. The United Board did not "suggest that the scheme and scales of payment is either perfect or final, but they look upon it as a basis upon which a still more equitable and reasonable system of remuneration . . . may ultimately be realised." Beyond this point, so far as the present narrative is concerned, the issue of the minimum wage was transferred from the Congresses to the Quarterly Meetings of the Wholesale Society.

Instinctively it was felt that the English federation was the fortress either to be held or captured. And in June, 1911, the Enfield Highway and twenty-eight other societies moved for the Congress scale as applying to women and girls to be put in force "in all departments where no trade union rate for women exists." But the Oldham Equitable Society asked for an adjournment for six months, the C.W.S. Committee to report in the meantime, and this latter resolution easily was carried. In November of the same year, therefore, the executive of the federation issued a full and frank statement of the entire case as it appeared from their point of view. The directorate had found it necessary not to confine the report to the departments "where no trade union rates exist." Only 1,616 female workers were touched by union rates, compared with 5,456 under conditions undetermined. Of the total number (7,072) those below the scale numbered 4,121,

The Story of the C.W.S.

and those above or on the rate included 2,951 persons. Again, the total separated almost equally into day workers and piece workers—3,713 and 3,359 respectively. An average drawn over a fair period of the wages paid to girls and women disclosed the sum of £4,660 weekly, or, as divided by the total of workers of all ages and groups, an individual average of 13s. 2d. every week. The Committee further stated that they had approached the question sympathetically and with a desire to strain any point in favour of the scale. But they were obliged to consider the variety of tasks and existing conditions, and the small margins at many works between costs and selling prices. They also indicated a possible disadvantage in the scale to the worker, as, "to be equitable to employee and employer," it "should carry with it a corresponding standard of efficiency." Already, and of its own initiative, the Committee were giving real advantages. Some 5,400 C.W.S. female workers were employed 48 hours a week or less, all of whom benefited in the ways described earlier in this chapter. Over and above this consideration the net cost of the scale to the Society would be £35,000 a year, and the total cost, when new demands arising from the scale were met, was expected to reach at least £60,000 yearly. The Committee, therefore, "earnestly and respectfully" asked the delegates not to tie their hands by this binding resolution, but to leave them free to act "in the best and truest interests of the Society and its employees."

The Committee were in a position not dissimilar to the one occupied in the controversy over the creameries. The advocates of the minimum wage were able to concentrate upon one consideration, and that one only. Theirs was a bold and simple proposal, easily comprehended. It appealed to the imagination, and the moral claims made upon its behalf aroused enthusiasm. The C.W.S. directorate, on the other hand, again could not move unencumbered. Having accepted a minimum for men, the Society hardly might refuse a minimum for women. And, standing by itself, unrelated to the thousand facts of industrial life, the highest figure of the scale for women was unexceptionable. It meant little more than a guaranteed standing room upon the earth, and every member of the Committee would have been glad to see it in smooth operation. But there came the rub. This was a rate which the C.W.S. management had taken no part in fixing, and had regarded simply as a guide to what co-operators considered desirable. For the executive to thrust it upon their managers as a hard-and-fast demand would be

The Issue of the Congress Scale.

another matter. It meant laying down a fixed and equal scale for at least a score of trades, with no provisions like those attached to the Trades Boards' scales serving to modify the narrow inflexibility. It required 17s. where even in those trades legally protected the Society's competitors were obliged to pay no more than 12s. or 13s. on the basis of a 48-hour week. Moreover, these private employers were free to put their girls upon piece rates, and "speed up" at least beyond the capacity of 15 per cent of the employees, thus commercially testing and selecting their workers. But for the C.W.S. to adopt this general method would mean an unaccustomed harshness of discipline, and cries of victimisation, and appeals to working-class sentiment, and "exposures" in the press, and possibly strikes just as damaging to win as to lose. As for the alternative of raising prices, the entire fabric of the Society rested upon the trade of the mass of consumers—people unable continually to pay more, even if willing, and, by all reckonings of average human nature, not likely to pay. . . . Such considerations were those which the Committee had to advance—mundane, unsentimental, negative considerations; and it was bound to be a thankless task, made more arduous by the fact that the full weight of the case could only be appreciated properly within the boardroom and the different offices of the managers of the works.

To the report of the C.W.S. Committee the Central Committee of the Women's Guild issued a vigorous, but unsympathetic and not altogether consistent, reply. It claimed that to the employees the minimum would bring "a feeling of security and independence." At the same time it declared that "the employment of inefficient workers is not business," and added that "our movement is not a home for inefficients." This contradiction of unfolding a brighter future for all C.W.S. workers while casually referring to the commercial possibilities of a minimum wage lingered throughout the controversy, and it was not surprising that the girls and women actually concerned, living between hope and fear, remained absolutely silent, leaving the agitation to proceed over their heads.

Other articles and letters in the *Co-operative News* followed, and at the December meetings the issue was for the time being decided. The Leicester Society proposed, and the Enfield Highway Society accepted, a deletion of the qualification "where no trade union rate for women exists." Thus the scale was to be general. The first meetings gave mixed results, leaving a bare majority just possible for the minimum wage at the Manchester general

The Story of the C.W.S.

meeting. And (neatly begging the question) "will the flag of human rights be raised in the citadel of co-operation?" asked the Guild. "Their claim was that labour must be the first charge upon industry," said Mr. Perry, of Stockport, in moving the adoption at Manchester. "If this was an agitation for better wages against the private capitalist, and by increasing wages they could reduce his profits," replied Mr. Penny, of Sheffield, "I would say, 'Go ahead with all speed.' But in the co-operative movement things are not the same. There the consumer is an employer and a worker in the co-operative factory at one and the same time, and the difficulty is to strike an exact balance." On a vote complicated by it being out of order for Enfield to withdraw at short notice in favour of Leicester, the C.W.S. Committee, in their united attitude, were supported by a majority at its smallest by over a thousand votes.

At this meeting Mr. Lander had emphasised the sincerity of the Committee as a body and its genuine desire to decrease hours and increase wages to the greatest extent possible. The campaign for a binding resolution, however, continued. Certain factors were on the side of the agitation. There was the precedent of the minimum for men and the circumstance of 1911-12 being a period of universal good trade. Miss Llewelyn Davies, the leader of the Guild upon this issue, argued that "as the dividend is equalised, wages should be equalised, too," and, assuming such a communism, together with continued general prosperity, it was easy to prove the cost a comparative trifle. Societies like Pendleton came forward to say they were paying the scale for 850 employees—men and women—and (said their Portsmouth Congress representative) "it had been to their advantage." Naturally wishing that the C.W.S. should fall into line, the general body of co-operators rapidly were coming to believe the difficulties exaggerated. At the Portsmouth Congress of 1912 an attempt to find a *via media* through the establishment of district boards, after the practical manner of the new Miners' Minimum Wage Boards, proved belated. And in December, 1912, the C.W.S. Committee announced that the wages of a fairly large number of girl and women workers below the scale had been improved, that, as a further step, the scale was to be applied in the distributive departments, and that the more difficult problem of the productive works was receiving attention. It only needed the fact of the C.W.S. Jubilee being at hand to quicken the desire for going all the way. On behalf

The Victory of the Scale.

of the City of Liverpool Society, a resolution was moved at the December Quarterly Meetings welcoming the action so far taken, and affirming that the time had come for the C.W.S. Directors publicly to adopt the scale for all girl and women employees, and to put it in force by the year 1914. The Enfield Highway and the associated group of societies withdrew in favour of Mr. Blair's motion on behalf of Liverpool, which Mr. Perry seconded. "They had asked for a special dividend on productions," said Mr. Blair, "and the answer was 'no'; the business must stand as a whole. It should stand as a whole now. The surplus profit was sufficient to pay the rate all through without increasing the prices of C.W.S. productions." "This quarterly meeting," said Mr. Perry, "will go down to history as having given a living wage to all the female workers of the C.W.S. and a message of hope to all outside." His prophecy, made at the final general meeting, was not without the proverbial knowledge, for the divisional meetings already had provided a majority for the scale. A motor accident temporarily had deprived the Committee of Mr. Lander's presence, and (although Mr. Penny urged that "if the pioneers had tied themselves down to minimum scales there would have been no co-operative movement to-day," and that there was a better way of reaching the ideal; and although Mr. Holt, for the C.W.S. Productive Committee, compared the Wholesale Society's existing general average of 13s. 2d. with an average over all women workers throughout the country of 9s.) a close and exciting count revealed a victory for the scale. The Liverpool motion secured 425 votes against 416 in opposition, with 1,243 supporters against 1,104 opponents as the total figures for all the meetings.

When the echoes of jubilation had died away the problem remained to the C.W.S. Committee of reconciling the scale with existing facts. The plan of meeting extra wage costs at particular works out of general profits they were compelled to put on one side. It would have meant paying profits away before they existed, and settling down to show losses on particular departments for ever and ever, and it would have introduced a principle of internal friction. By the necessities of the case the Committee were obliged to pursue that method existing from their beginning of each works bearing its own responsibilities. On this basis the difficulties at any rate could be narrowed and met in detail; and a close overhauling gave promise of economies sufficient, in a majority of cases, to justify a general promise of the scale being in operation by the end

The Story of the C.W.S.

of 1913. With closer margins in the factories especially affected, the coming of the scale certainly will mean a change, a hardening of conditions. Something will be gained and something lost; meanwhile the Wholesale Society faithfully will have complied with the temper of the time, which is for a more hard and fast bargaining between employer and employed, and rigid definitions. . . . It must be added that, on the delegates' recommendation receiving favourable attention from the Committee, the Women's Guild arranged a canvass for loyalty to the C.W.S. factories, by inaugurating a "push the sales campaign."

The co-operators of 1860 upheld co-operation as superior to trade unionism altogether. In the co-operative era strikes and lockouts and unions of labour against capital were to be weapons of the past. When in 1891 a special trade union arose within the co-operative movement itself, the co-operative conscience felt a burden. The union itself came out at first very mildly as an employees' association. Only in 1911 did the Amalgamated Union of Co-operative Employees, as it has been known since 1895, form a strike fund. Whatever the view of the latter development, it may readily be admitted that the earlier idea of trade unionism becoming unnecessary will not bear consideration. It was an idea that declined with an absolute faith in profit-sharing; for when we build upon the general consumers, or public interest, we cannot deny any special interest the right to prevent itself being overlooked in the process. And the efficiency of the employees' union simply as a co-operative agent was recognised at an early date by the C.W.S. when, during the nineties, much advertising work was done in common. But now we come to a time when the views of the pioneers unconsciously are being reversed, and a zeal for trade unionism within the co-operative movement almost is threatening to push the co-operative idea into the background. The C.W.S. has relations with many trade unions besides the A.U.C.E. which represent shop workers and those for whom no established trade union exists; and the more recent problem has been to hold a true balance between the interest which all working people have as consumers and that which is more acutely felt by those members of families who are direct wage-earners. We have seen (Chapter XXIII.) this issue arising in the matters of the boot and shoe operatives' trade union label and compulsory trade unionism. The attitude taken by the Society toward the former in 1911 was consistent with the voting in



DINING ROOM AT THE C.W.S. TOBACCO FACTORY.



C.W.S. WORKS DINING ROOM AT BROUGHTON.



VISITORS LEAVING BALLOON STREET—THE FRENCH PARTY OF 1911.

The Question of Compulsion.

December, 1907, upon a motion for a general trade union label. The motion came from the Parkstone and Bournemouth Society. Had it been adopted the C.W.S. would have been called upon to approach the executive of the Trade Union Congress, asking for a label to be devised and placed upon all goods made under trade union conditions, the C.W.S. undertaking that all its factories should conform to the label requirements, and to "undertake to sell only goods bearing that label as it becomes operative in the various branches of trade." Such a bargain would have been rather more than one-sided, since the federation would have forfeited its independence, and the proposal was rejected decisively. At the same time, short of bartering its birthright, the C.W.S. ever has been willing to help in improving conditions beyond as well as within its borders. Many an inquiry has preceded orders, and in response to representations of weight more than one account has been closed—frequently at a loss to the Society. A pertinent illustration of this policy appeared at the Quarterly Meetings of December, 1912, and March, 1913, in the facts then disclosed concerning the C.W.S. and certain firms in the furniture trade.

We come to the question of compulsory trade unionism for C.W.S. employees. It is one upon which the history of co-operation bears very closely. "They had laid it down," said Mr. Perry, speaking on the union label issue in 1911, "that any man or woman could join the movement, and no question would be asked as to politics, religion, or union, and they could not adopt the proposal of the label unless they were prepared to depart from that principle." Civilisation moves forward wavering between the rival magnetic poles of liberty and obligation; and of late years the stronger power has been obligation. From compulsory education to compulsory insurance, and from compulsory military service to compulsory trade unionism, the present generation either accepts or contemplates forms of constraint which the democracy of an earlier period would have abhorred. And the difficulty for co-operation is less in its voluntary character than in the practical fact of it being unable to use compulsion in its own direct interests. Forcible methods still stop short, and no doubt always will stop short, of any point at which they might be of co-operative avail. A few years ago the committee of a local society questioned the un-co-operative use of the purchasing power which every week it was putting into the hands of its employees. Quickly the tyranny was denounced, and the Truck Acts successfully were invoked in defence.

The Story of the C.W.S.

A trade union may compel a man to join and pay a regular subscription; but by custom and by law a co-operative society is debarred from enforcing membership and trade. Compulsory trade unionism for C.W.S. employees, therefore, would involve the anomaly of an institution depending upon a voluntary attachment for its own objects, while impressing its servants to oblige its friends. . . . And this leads us to deal briefly with the point—or lack of point—of the C.W.S. housing its employees in model villages. At various times it has been raised both in and out of the C.W.S. Quarterly Meetings. Speaking to co-operators at Birmingham (September 28th, 1912), the Dean of Worcester (Dr. Moore Ede) did a little more than raise it. Since this passage in his speech embodied a typical misconception, without prejudice it may be fitly quoted here. He remembered Pelaw, he said, when it was a station amid fields:—

The Wholesale erected workshops—and a very magnificent set of workshops they were. They could have acquired the land adjoining those workshops and created a model industrial town, but . . . rather than run the risk of a brief decrease of dividend, they allowed the opportunity to be lost, and around the magnificent factories private enterprise had erected hideous streets of jerry-built houses. A similar opportunity was lost at Luton. There was too much of the worst spirit of commercialism in the Wholesale. Co-operators! believe in your principles, and extend their application.

Rightly or wrongly, however, the C.W.S. simply has kept within its principles. If it had built upon a big scale at Pelaw, and a fair proportion of the employees had chosen to live at Gateshead or Shields or Sunderland, the Society would have been left with the alternatives either of becoming a general landlord, or of bringing pressure to bear upon its workers, two courses each outside its scope. Garden villages are much to be desired, but if they are to be democratically co-operative, it is necessary that they should originate with employees or other tenants themselves, or with local co-operative societies. And this better way may be illustrated in part by the history of the Manchester Tenants Limited. The village created by this association is in the country a mile or two beyond the C.W.S. Longsight Printing Works, and the society began in 1906 at a meeting of C.W.S. employees held in a room at Balloon Street freely lent by the C.W.S. Committee. . . . As for other branches of systematic “welfare work,” the best of these on investigation usually resolve themselves into exercises of benevolent despotism, impositions of discipline, no doubt for the workers’ own good, but quite contrary to the free spirit of co-operation.

The Society and its Officers.

Open co-operative discussions on the relation of the Society to its employees rather naturally have been concerned with the general body of the wage-earners. At the same time, the "republic of consumers" includes amongst its employees those who by reckonings of income and position are of the middle class, a body of "civil servants" differing from Government or municipal officers in many important conditions, and yet employed by an institution which is much nearer to a commonwealth than to a private business. And remembering that the ultimate rulers of the Society almost all are of the working class, it will be seen that a problem arises. Bluntly, the general method of private industry is effectively to subordinate its routine workers and less-commercially-minded servants, while discovering and rewarding the initiative ability of a profit-earning character. The favour of individual owners and masters, with special bonuses and private opportunities of investment, leading to partnerships and directorships, are the prizes that glitter before the eyes of capable business men, simply as rewards for commercial ability, untrammelled by democratic considerations. Thus the English middle class has been created. . . . The co-operative manager, buyer, or aspirant to like distinction is in a different case. With the qualities of an efficient manager he must include an understanding of co-operative principles and methods, and the mind and temper of the working class. His position is not without advantages. The marketable goodwill which has to be captured by the private firm, here, to some degree, is given in trust; and he may count upon the reasonable security of tenure and freedom from anxiety. On the other hand, the equalising spirit of co-operation produces a more restricted scale of rewards, while it is a fact to be reckoned with that most co-operators, by reason of their circumstances, always will be more able to understand and sympathise with the working lives of the rank and file than with the officers. Differing essentially from private trading, the store movement largely has depended, therefore, upon an emergence from the ranks of a new type of business head. In the early days of the C.W.S., as we have seen, the deliberate preference of an honest and intelligent co-operator who might have his business to learn more than once proved to be the best policy. With the extension of the number of the Society's employees, the field of choice among those already connected with the Society has extended, and heads have been found amongst clerks and salesmen and workers growing up with the federation. On a topic like this one is necessarily confined to general

The Story of the C.W.S.

observations, and perhaps a further remark may be added. For democracy everywhere the problem of an efficient body of controllers, responsible yet sufficiently in sympathy with the controlled, is not likely to decrease. Ability is as essential as faithful service; in the Balkan War there was nothing wrong with the Turkish rank and file, but the heroic qualities of the Anatolian peasant soldiers were lost through a lack of organising ability behind the human material. This need of quickened intelligence, of will and force, the modern commercial world intensely realises. But the system of private industry creates its own limitations, in that its freedoms tend to disappear with success, and its posts of honour to become the monopoly of a class. At the centenary of the C.W.S. a future historian may be able to refer no small part of a larger progress to a steady enlisting of that excluded ability which already exists—democratic, socially-minded, and in protest against its disinheritance through monopoly.

The Sick and Burial Club, which is maintained amongst the employees at the various chief centres, began in 1887 with the institution of the club at Balloon Street. Spasmodic collections previously had arisen in the departments after the deaths of employees, and the club was designed to meet the evident need. The first annual meeting of the club was held in December, 1888. There were then 255 members. £132 had been collected, one death benefit of £10 paid, and three sick benefits granted, the whole cost totalling £9. A repayment to members therefore figured in the next balance sheet, and the annual bonus remained a feature of the fund down to 1908, when increasing liabilities demanded a change. The paying of bonus is now suspended, and the twopences collected weekly go entirely towards meeting sick claims and the club's liability in case of death of £20 per member. It is the practice of the C.W.S. to pay wages for at least a fortnight to every staff employee (distributive and clerical) during sickness, and no claim can be made against the sick club during the receipt of wages. At Newcastle, London, and Bristol sick clubs also have been formed since 1888, and these work upon similar lines; while at London the Anchor Savings Bank Society Limited enables employees to save sums of 3d. and upwards, and to provide against the cost of summer holidays. This latter society commenced at the end of 1896.

The sick club obviated the special collections at Balloon Street in certain circumstances, but the hat still went round whenever

Employees' Funds and Clubs.

any special calamity overtook an employee. In one such instance, during 1900, a sum of nearly £35 was thus raised. This evoked a suggestion for a benevolent fund, which would consolidate the different efforts, whether for hospitals or individual aid, and, following the annual meeting of the sick club in December, 1900, the proposal was discussed and adopted by the assembled employees. A regular weekly contribution of the democratic penny was instituted, and the money thus obtained was handed over to a committee of the employees for distribution in annual grants to hospital and lifeboat funds, in grants to the occasional public funds necessitated by disasters, and in grants at the discretion of the committee to employees in need. This freedom and discretion marks off the benevolent fund from the sick club, whose disbursements are equal and limited by rules. Any kind of recommended and verified need may be met, and for any time. From the time of the commencement of the fund in 1901 to the end of 1912 the grants to employees or their relatives totalled £894.

The organisations named in the last two paragraphs are of and from the employees entirely, the part of the Society being simply to sanction the collections in business time and occasionally to lend a meeting-room. The C.W.S. officially occupies a similar position in regard to many other activities of the employees. We are reaching a point where space is precious, and must be content with a catalogue, quite unworthy of the exuberance that will spring up even in the dour mind when the daily task is put aside. There are swimming, running, rambling, football, cricket, bowling, lawn tennis, and rifle clubs, choirs, orchestras, dramatic and debating societies at this, that, and almost every group of offices and warehouses or works. Crumpsall, fortunate in the possession of a playing field, in the variety of its recreations takes the lead, but we dare not discriminate further. Every now and then in the winter the Mitchell Hall fills for a whist drive or a concert or echoes to the practices of the orchestra—its distant evening strains have enlivened the writing of many of these pages. More serious pursuits have been encouraged by the C.W.S. Committee from time to time, particularly by the lending of rooms for Ruskin Hall or Workers' Educational Association classes. The general secretary of the Workers' Educational Association (Mr. Albert Mansbridge) was for some time a clerk at Leman Street, whose path to a larger work lay through the teaching of industrial history to his fellow-clerks at the London Branch; and

The Story of the C.W.S.

the most successful of the London tutorial classes under the W.E.A. has been that of the tea department employees, held at Toynbee Hall. And, incidentally, one may add that the tutorial class which has earned the highest grant from the Board of Education has had Sutton-in-Ashfield for its location and has been mainly composed of C.W.S. Huthwaite Hosiery Factory employees. The direct organisation of co-operative educational work belongs to the Co-operative Union, and is not within the province of the C.W.S., but for funds, rooms, and hospitality this branch of co-operative effort historically is indebted to the federation, and for personal aid frequently to this or that C.W.S. employee.

Two more institutions alive amongst the employees remain to be described. The first is the annual picnic. As a yearly event enjoying official recognition, this dates back to 1880, but an earlier picnic also had the support of the Society through a curious combination of circumstances. In 1871 a sum of £80 belonging to the Long Eaton Co-operative Society was stolen from the house of the treasurer. After a vain effort to make good the loss the then four-year-old society appealed for outside help. In May, 1872, the C.W.S. Quarterly Meeting voted £20. But so good had been the response that only £16 then was needed. The delegates meeting in August found the remaining £4 waiting their disposal. It had been mentioned that the employees were arranging a trip to Rivington Pike, just beyond Bolton. This at once suggested itself as a proper purpose for the £4, "or a larger sum," and a resolution was carried authorising the Committee to meet the expenses of the day. And on August 31st some fifty persons left Manchester soon after eleven o'clock for Rivington, climbed the Pike, and enjoyed dinner and sports, at a cost to the Committee of £6. 2s. 2d. precisely. During the next few years, however, there was no such lapse into gaiety on the part of the C.W.S. balance sheet. But in 1879 (September 13th) the London Branch employees beanfeasted at Southend, having obtained the Saturday morning, a small grant, and the presence of Messrs. Pumphrey and Goodey, who echoed Mr. Ben Jones' wish that the outing should be a permanent fixture. And in the following year the balance sheet confessed to £20 for an employees' trip at Manchester (to Disley on the August bank holiday) and £9. 9s. for Newcastle; while the London employees had another Saturday morning off and went to Windsor. In 1881 there were grants of £20 for Manchester, £10 for Newcastle, £5 for London, and £20 for the Leicester shoe workers, who at that time were strong upon the

The Fire Brigade.

educational and social side. In 1884 the picnics were established events. The Manchester employees obtained a full Saturday, and joined with the Crumpsall workers in visiting Liverpool, where the Merseyside colleagues swelled the party, and all went off in a steam ferry boat to survey the s.s. *Bothnia*—that “stately liner” of no less than 4,500 tons—and picnic at Eastham. The Heckmondwike employees reached Blackpool, the Leicester workers went to London, and the London party discovered a rural retreat (in the words of the *News* of that day) in “a quiet watering place on the Essex coast”—Clacton, to wit. The annual picnics are now shared by many thousands of employees; the Manchester holiday makers have divided into heroically long and comfortably short distance holiday makers; while the Society’s total contribution under this head in 1912 reached the sum of £1,621.

The second institution is the fire brigade. The senior division at Manchester dates from the eighties, and it has grown from 15 to 300 members, the latter total including firemen from Liverpool to Leeds. Over the whole of England the membership in April, 1913, was 474. All the firemen are employees engaged in their regular tasks, with the sole exception of the chief officer (now Mr. G. Eager), who has come from the Manchester Fire Brigade. Yet there is a thorough drill and equipment. To witness some hundred and twenty girls, engaged in packing groceries at Manchester, quit their work in order, and the firemen emerge with hose by ladders from the street, all within a minute or so from the sounding of a test-alarm, is to enjoy one of the sights of Balloon Street. The first annual competition of the brigade was held in 1894. The year 1912, however, is the greatest in its history. It was then that, in connection with the Private Fire Brigades’ Association competitions, the championship of the North, with a silver challenge cup, was won by the C.W.S. Tobacco Factory, while the Bristol men gained a silver challenge cup, and the English and Scottish C.W.S. division at the London tea department achieved the City of London Corporation challenge shield and also a silver challenge cup carrying with it the championship of the United Kingdom. An All-England silver challenge shield was won in the previous year by the C.W.S. West End Shoe Works.

In completing the story of the C.W.S. we must not forget the visitors to the C.W.S. The industrial revolution, besides divorcing the worker from his tools, separated the woman at home from all

The Story of the C.W.S.

the stir and interest of associated domestic industry. It has taken what is now at its best a busy pleasant hum of movement and life into the four walls of private workshops, and left the homekeeper to the dubious enlivenment of street cries and canvassers at the door. Public visits even to co-operative factories are necessarily restricted, but something is done to restore the interest when, with a sense of right, co-operative men and women in great parties are conducted through some C.W.S. works, and almost by the thousand sit down in the Balloon Street dining-room. And the guests have not been limited to British co-operators. By ones and twos or in whole battalions observers and inquirers have reached Balloon Street or Lemn Street or West Blandford Street from the ends of the earth—Germans, Scandinavians, French, Belgians, Dutch, Austrians, Russians, Hindoos; East meeting West in Americans and Japanese, creed beside creed in socially-minded priests and priest-rejecting freethinkers, nobles or high governmental officials on one day, anarchists in search of direct lessons in free association on the next. Perhaps the largest party from the Continent—and beyond the Continent—was that of August, 1911, organised from amongst its readers by the well-known French daily, *L'Humanité*, whose appearance in a body, headed by a red flag, created a mild sensation at any rate on the prosaic streets of Manchester.

The fiftieth birthday of the Co-operative Wholesale Society, if we are to reckon from the "special conference" that finally resolved upon the immediate establishment of a "North of England Co-operative Wholesale Agency and Dépôt Society Limited," was April 3rd, 1913—in Manchester a rare day of serene sky, lucent air, and interpenetrating sunshine, a day suffused with the infinite rejoicing and hopefulness of the spring. . . . But if we are to date from the certificate of legal incorporation, then the date is thrown back to August 11th; or fifty years from the opening for business would carry us to March 14th, 1914. Between these two extremes the convenient month of September, itself a time of harvest and of holiday before a new season of dark nights and indoor work, has been marked out by the precedent of the "Coming-of-Age" as the month of Jubilee. Of the celebrations themselves it is not our business to write here; they will be better recorded in the *Co-operative News*, the *Wheatsheaf*, and elsewhere. Ours it has been to show the innumerable workings of many hands that

Standing on the Hill of Time.

in 1913 have given the possession over which the co-operators of England and Wales will then rejoice.

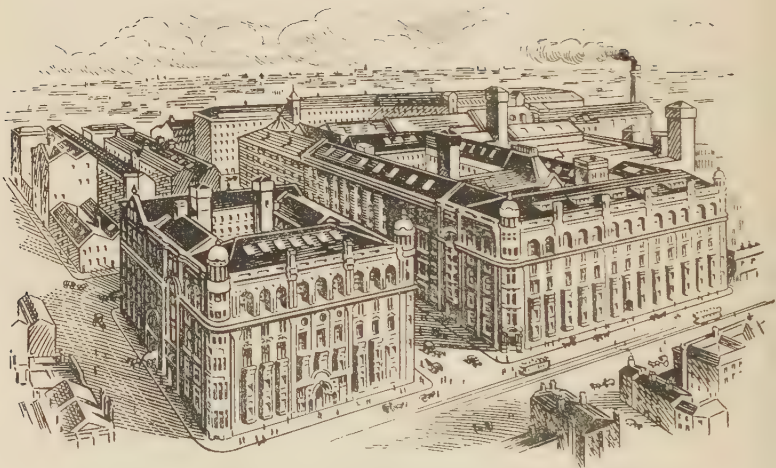
With aching hands and bleeding feet
We dig and plant, lay stone on stone;
We bear the burden and the heat
Of the long day, and wish 'twere gone;
Not till the hours of light return
All we have built do we discern.

The diggers and the planters—the men of the rough, strenuous, early days—for the most part, are no more. All that has arisen on the ground where they built they cannot discern. Another generation has entered into its inheritance. Yet in their day the pioneers were sure that something from their hands would serve a future hour, and they were content. Standing on the hill of time, it is easy to look down upon them, to see what was crude and mistaken, to smile and be satisfied. It is then that we are arrested by the thought of how in fifty years our own lives and deeds may appear. What story will there be to tell in 1963 ?

That the co-operative movement will go on is certain. Like every other steady expression of the working-class spirit, in the last reckoning it lives, not through the force of arguments in its favour, but because it is an essential part of the working-class effort towards a larger life. Fifteen hundred years ago the barbarians broke upon ancient Rome, and, from the welter, the rude order of feudal Europe slowly arose. To-day, in this case not from outside but from below, there are forces in all lands pressing against the political, social, and economic restraints of the established world. Vast changes appear imminent; and, while some fear anarchy, others look toward a better social state beyond the confusion of these days. It is in such a time that the Jubilee of the C.W.S. witnesses proudly to a measure of reconstruction, to a real achievement entirely worth celebrating. And yet, in regard to all except a foretaste of co-operation triumphant, we are still in the days of beginnings. Strong, therefore, we must be with that inspiration of the future which quickened the leaders of the past; and strong those will become who hearken to the call from the unseen years to be, a clear, resonant morning-call of "Pioneers! O pioneers!"—

Far, far off the daybreak call—hark! how loud and clear I hear it
wind . . .

Pioneers! O pioneers!



BIRD'S-EYE VIEW OF THE C.W.S. OFFICES AND WAREHOUSES, MANCHESTER, 1912.

Biographical Index.

THIS book contains the story of the Co-operative Wholesale Society rather than that of any person who has played a part in the Society's history. At the same time it would be unfair to let the necessarily-casual personal references of the narrative stand unsupplemented. The soul of an association is in its personalities; and although the very condensed particulars that follow may constitute little more than a directory, the short references to social, political, and religious activities should at any rate suggest portraits of the men who have built up the C.W.S. With a very few exceptions the notices are of persons who are no longer with us, or whose active work for the Society is over.

Allen, Robert (1827-1877).—A member of the Oldham Equitable Society, he was elected to the C.W.S. Committee in August, 1871, and died in office. He was also a keen temperance worker. "A grand speaker (writes one who knew him), he did much to popularise the C.W.S., and killed a lot of prejudice that was meat and drink to private traders."

Ashworth, Samuel (1825-1871).—A cotton operative and a chartist, and the youngest of the Rochdale Pioneers of 1844. He did three months' work without wages at Toad Lane, and then became their first paid counterman. In 1866 he resigned the management at Rochdale to become the C.W.S. buyer, but he broke down in health, and died five years later. In March, 1913, his wife, still living in Rochdale as Mrs. Ashworth, attained her ninetieth year, and received the congratulations of the local press.

Atkinson, Humphrey (1839-1902).—Elected to the C.W.S. Newcastle Committee from the Blaydon-on-Tyne Society in 1873, retiring in 1879. Liberal, and a Congregationalist.

Atkinson, John (1845-1890).—A master blacksmith. Elected to the Committee from the Wallsend Society in 1883, and died in office in 1890. He represented the Wallsend Society on the local governing body for many years. A Liberal and an active Primitive Methodist.

Bamford, Samuel (1848-1898).—For twenty-two years editor of the *Co-operative News*. Born near Rochdale, he was largely self-taught, his desire at one time being to enter the Wesleyan ministry, but journalism claimed him. His public life work is contained in the files of the *News*. When appointed its editor the circulation was about 11,000, and the society was heavily in debt to the printers. At his death it had its own buildings and printing plant and a circulation of 50,000. It was said that he had not time for a holiday during the last twenty years of his life. For nine years he served on the committee of the Manchester and Salford Society, and for three years was its president.

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Barnett, William (1830–1909).—A bookbinder, afterwards manager and secretary of the Macclesfield Co-operative Society, and founder and chairman of the Macclesfield Silk Manufacturing Society. Elected to the C.W.S. Committee in 1874, and retired in 1882. Auditor from 1872 to 1873. Chairman for many years of the Co-operative Insurance Society, he took a leading part in establishing the collective life assurance scheme. A member of the Macclesfield Education Committee.

Bates, Matthew (d. 1898).—A mining engineer, well-known as such in the North, and a member of the Blaydon Society, on whose nomination he was elected to the C.W.S. Committee in 1884, retiring in 1893.

Bates, William (1833–1908).—A native of Bury, and a “tear boy” in a calico-printing works at nine years of age. A chartist about 1850 and a political reformer in 1865. In 1873 he was elected to the C.W.S. from the Eccles Society. As chairman of the Shipping Committee he became known to his colleagues and friends as “the Commodore.” He retired in 1907, and died in the following year. He was a promoter and for many years a director of the Co-operative Newspaper Society, and a director of the Co-operative Printing Society.

Baxter, David (1837–1911).—Entered business as a shipping clerk in Manchester; afterwards cashier and bookkeeper. Taught at the Mechanics’ Institute, David Street, Manchester, where he discovered Mr. T. Wood and Mr. Ben Jones as students. Elected auditor in 1863, he served until 1868, when he became a member of the Committee, retiring in 1871. A keen critic of the early accounts of the struggling Society, he did much to assure its stability. He was a Liberal, and one of the founders of the Longsight Free Christian Church, Manchester.

Beach, J. J. (1816–1888).—A Government contractor, and for many years a rate collector for Colchester. Elected to the C.W.S. London Branch Committee in 1886, retiring in 1888. He was a strict vegetarian.

Binney, George (1831–1905).—Worked in a coal mine at ten years old; afterwards an official in the service of different coal and iron companies in Durham. A member of the Durham Society when elected to the C.W.S. Committee in 1891; he retired in 1905. An enthusiastic co-operator, a Liberal in politics, and an active Primitive Methodist.

Bland, Thomas (1825–1908).—A native of Lancaster; afterwards a rope and twine maker at Huddersfield. Elected to the C.W.S. Committee in 1874, he became vice-chairman, retaining his seat until 1907. Nine years a town councillor of Huddersfield, he was the first working-man magistrate in that borough. Associated with the Huddersfield Temperance Society for forty years, he was also a Liberal and a prominent Congregationalist.

Brearley, J. F. (1842–1895).—Elected to the C.W.S. Committee from the Oldham Industrial Society in 1874. He retired, however, in the same year.

Brown, W. H. (1847–1907).—A native of Westbury, Wilts.; father died early; at work in Newport at nine years old. Organising secretary of Newport Liberal Association until election to C.W.S. Committee from the Newport

Biographical Index.

Society in 1902. Died in office in 1907. Active worker in Co-operative Union and twice chairman of Congress. Honoured by the Good Templars and the Rechabites, at one time or another he was also a Poor Law Guardian, a member of the Newport School Board, a governor of the University College for South Wales, town councillor, alderman, and Mayor of Newport (1900-1901) and J.P.; and always prominent in the United Methodist Free Church.

Bunton, William.—A bookseller and newsagent in Banbury. Owenite and chartist, he suffered imprisonment in the days of the chartist agitation. A pioneer of wholesale co-operation, in contributions to the early issues of the *Co-operative News*, he foresaw and indicated far-reaching developments of federal co-operation.

Butcher, John (1833).—Shoemaker from boyhood. Born at Brackley in 1833 and still alive and hearty at Leicester. Educated at Brackley Grammar School. Going to Banbury to manage a boot and shoe business, he became a founder and first secretary of the Banbury Society, and is still "No. 1." Member of the C.W.S. Committee in 1873; manager of the C.W.S. Boot and Shoe Works from the same year until retirement in 1904. Active in the Co-operative Union as organiser and first honorary secretary of the Midland Section; started at Banbury the first co-operative record and published (with William Bunton) the "Banbury Co-operative Tracts;" friend of Joseph Arch and the late Rev. J. Page Hopps; seven years a member of the Leicester Borough Council, and always a keen Liberal and Free Trader.

Carr, Thomas (1836-1900).—A pioneer of the co-operative movement in Consett, and a founder of the Consett Society, serving on the Consett committee from the start in 1862 to 1894. A member of the provisional committee of the C.W.S. Newcastle Branch in 1871, and, for a short time afterwards, of the Branch Committee; he helped also to establish the Derwent Flour Society, remaining a member of its committee until 1894.

Cheetham, Thomas (1828-1901).—An "original member" of the C.W.S. on the Committee in 1864 and retiring in 1865. Afterwards a member of the Rochdale Borough Council and an active Liberal. A Unitarian in early years and later a secularist.

Ciappessoni, F. A. (1859-1912).—Of Sussex birth, he was from 1880 headmaster of St. Patrick's Roman Catholic Schools, Cleator Moor. A member and sometime president of the co-operative society's committee; a member of the Central Board of the Co-operative Union and of various home and international co-operative committees; a prime mover in the establishment of the Gilsland Convalescent Home; elected to the C.W.S. Directorate in 1904, and died in office. An Urban District Councillor, being twice chairman, and a J.P.; he was also co-opted a member of the Carlisle Education Authority.

Clay, Joseph (1827-1901).—A native of Dalbury Lees, near Derby. Worked in a silk factory thirteen hours daily for 1s. 6d. a week at a very early age. Afterwards a railwayman. A founder of the Gloucester Society, and president from 1865 until death in 1901. Elected to the first C.W.S. London Branch Committee in 1874; chairman for nine years; died in office in 1901. Radical and Nonconformist; member of Gloucester School Board from 1882 until death; and J.P. of the borough, "erring, if at all, on the side of clemency."

The Story of the C.W.S.

Cooper, Robert (1833–1895).—Son of a woollen manufacturer; first secretary of the Accrington and Church Co-operative Society; elected to the C.W.S. Committee in 1874; retired in 1876. Afterwards a sanitary inspector. A Liberal and a Swedenborgian.

Cooper, William (1822–1868).—A handloom weaver in Rochdale, afterwards a stationer and account book maker. A follower of Owen and Feargus O'Connor, then a Rochdale Pioneer, and cashier for the Pioneers' Society from the start until his death. His work for the C.W.S. and the C.I.S. is described in the body of this history. Devoted to the cause of human freedom and advancement under every aspect, he sacrificed himself chiefly for co-operation, and the co-operative movement has not yet realised how much it owes to the labours that only ended with his early death.

Cowen, Joseph (1831–1900).—Son of Sir Joseph Cowen, mineowner; keenly interested in all forms of working-class advancement and in co-operation through the Blaydon-on-Tyne Society; president of the Co-operative Congress of 1873. A friend of political exiles in England, M.P., orator, and reformer; founder of the *Newcastle Chronicle*. (See page 57.)

Crabtree, James (1831).—Born at Dodworth, near Barnsley. In 1913 he attended the Co-operative Congress at Aberdeen, being one of the oldest, if not the oldest, of co-operators living. Brought up to carpet manufacturing. A founder of the Heckmondwike Society, he was the first representative outside South-East Lancashire to become closely identified with the C.W.S., being elected to the Committee in 1865, and becoming chairman in 1870. In 1874 he resigned office, but appeared on the C.W.S. Committee again in 1885–6 and 1886–9. Retired from business, and not now officially connected with the Wholesale Society, he is still in office as president of the Heckmondwike Society, having been elected recently for the third consecutive year.

Dover, George (1834–1881).—A man of many trades and an early co-operative worker, particularly through the Chester-le-Street Society. Elected to the C.W.S. Newcastle Committee in 1874, and became chairman of the Branch; afterwards (1877) manager of the C.W.S. Durham Soap Works. At his decease he was general secretary of the Durham Colliery Mechanics' Association. According to the *Newcastle Chronicle* (May 5th, 1881) he was probably one of the last white men who saw David Livingstone alive, spending some three years with the great explorer on the last expedition, when he fitted together a small steamboat.

Durrant, James.—Was elected to the C.W.S. Committee by the Arundel Society, serving from 1874 to 1875.

Dyson, James (1823–1902).—A silk hatter by trade, and always to be known by the silk hat which he wore in honour of his craft. A pioneer of co-operation. An "original member" of the C.W.S., he served on the first Committee, retiring in 1867; founder and for forty years manager of a Working Hatters' Co-operative Association, Manchester. Identified with the now defunct Manchester Industrial Society, and afterwards an employee of the Manchester and Salford Equitable. Chairman of the A.U.C.E. from its inception to 1897. A sympathetic biographical sketch by A. Hewitt appeared in the A.U.C.E. Monthly Journal for December, 1908.

Biographical Index.

Edwards, John Charles (1833–1881).—A mechanic who gave his Sundays to open-air temperance work; preached co-operation throughout Lancashire and Yorkshire; a founder and the first president of the Manchester and Salford Equitable Society; an “original member” of the C.W.S., and secretary and cashier from the start until 1868. An active politician, friend of J. S. Mill and Louis Blanc, he planned the meeting which resulted in the Union and Emancipation Society, serving as honorary secretary till the victory of the abolitionists’ cause in America.

Fairclough, James (1835–1911).—Born at Barnsley, the son of handloom weavers; committee-man of Barnsley Society for twenty-nine years, and president for sixteen. Elected to the Committee of the C.W.S. in 1895, and died in office. Served briefly as director of the Co-operative Newspaper Society.

Fishwick, Jonathan (1832–1908).—An insurance agent, took active early interest in co-operation; committee-man of Bolton Society; member of C.W.S. Committee, 1871–1872. Described in the Bolton History as a fearless and earnest advocate of trade unionism. One of the founders of National Union of Life Assurance Agents, and chief founder of the *Assurance Agents’ Chronicle*.

Fowe, Thomas (d. 1894).—Until 1873 first secretary to the Southern Section of the Co-operative Union. Nominated by Buckfastleigh Society, he was a member and secretary of the C.W.S. London Branch Committee, 1874–1878. A member of the Reform League and its treasurer for three years; at one time an active secretary of the “Working Men’s Committee on Public Worship,” he afterwards joined the secularists. From its beginning until his death he was treasurer of what is now the A.U.C.E.

Fox, James Challinor (1837–1877).—Began his work with meagre educational advantages, which handicap he studied hard to remove. A born propagandist and lecturer (addressing a meeting of 2,000 persons at the age of sixteen), he worked for co-operation from 1858. Struggled hard to save the Manchester Industrial Society; was secretary of its phoenix, the Hulme Pioneers; served on the C.W.S. Committee from 1868–1871, and for some time acted as secretary. Auditor from 1872 to his decease. An ardent temperance lecturer and reformer.

Fryer, George.—Was elected to the C.W.S. Committee from the Cramlington Society, serving from 1883 to 1887.

Gibson, Robert (1843).—A building contractor’s cashier and chief clerk in Newcastle-on-Tyne when elected to the C.W.S. Committee in 1890. For several years he served as secretary to the Newcastle Branch, retiring in 1910. He is a life governor of the Newcastle Royal Infirmary.

Gilechrist, Ephraim (1828–1912).—A waterman by trade and for many years secretary of the Tyne Watermen’s Association, which office he held till his decease. Nominated by the Wallsend Society, he was elected to the Committee of the C.W.S. in 1873, retiring the following year.

Goodey, James F. (1834–1910).—An East Anglian, born at Halstead. First secretary and afterwards president of the Colchester Society. Elected to the C.W.S. London Branch Committee in 1878, retiring in 1885 to act as architect

The Story of the C.W.S.

for the new Leman Street buildings. He returned to the Committee in 1889, his service only ending with his death. Acted as architect to many Southern societies and for many public buildings. Was a town councillor for Colchester for eighteen years.

Gray, J. C. (1854–1912).—Born at Ripley, Derbyshire, the son of a Baptist minister. Began work as a railway clerk, then appointed assistant secretary of the Hebden Bridge Fustian Society, becoming secretary six months later. Elected assistant secretary of the Co-operative Union in 1883, and as general secretary on the retirement of E. V. Neale in 1891. Presided over the 1906 Congress, when he outlined his scheme for a national co-operative society. Was honorary secretary to the International Co-operative Alliance; contributed several articles to the *C.W.S. Annual*, and wrote numerous conference papers; did much Parliamentary work on industrial questions. A J.P. for Manchester and member of the Licensing Committee, and a vice-president of the Free Trade League. His work during so many years on behalf of the Co-operative Union, for which he is so well remembered, frequently brought him into intimate contact with C.W.S. affairs.

Green, John (1839–1908).—Born at Hucknall Torkard, his father being one of the founders of the co-operative society there. Worked as an engineer at Woolwich Arsenal, where he was identified with efforts to obtain a shorter working day for his fellows. Served on the C.W.S. Committee from 1874 to 1876. A temperance and thrift advocate, a Liberal, and an educationalist; he also laboured for the extension of the public library movement.

Green, William (1832–1891).—Took an active interest in co-operation in Durham county and city, serving as committee-man for twenty-five years; a strong advocate of C.W.S. production; elected to the Committee of the C.W.S. (Newcastle Branch) in 1874, and remained in office till his death.

Greening, Edward Owen (1836).—Born at Warrington. Connected with the co-operative movement from 1856, especially as an advocate of copartnership and profit-sharing. Contested Halifax unsuccessfully as an Independent in 1867. Took a prominent part in welcoming the C.W.S. to London. President of the Stratford Congress, 1904; founder of the Agricultural and Horticultural Association, and editor of the *Agricultural Economist*.

Greenwood, Abraham (1824–1911).—Born at Rochdale, son of a blanket manufacturer in a small way of business; employed at wool-sorting for twenty-six years. Secretary of the Chartists' Association at eighteen, and librarian of the "People's Institute" some time after. Joined the Pioneers' Society before 1848, and took a keen interest in its educational work, teaching political economy to its adult school, held in its newsroom on Sundays. A founder and first president of the Rochdale Corn Mill. Joined the Jumbo committee of C.W.S. pioneers, and was elected chairman; wrote and read the paper outlining the new "agency;" an "original member" of the C.W.S. and its first chairman; C.W.S. cashier and bank manager from 1874 to 1898. A pioneer, first director, and sometime manager of the Insurance Society; a promoter of the *Co-operative News*, and chairman of the Newspaper Society for twenty-five years; a friend of G. J. Holyoake and an advocate of profit-sharing. Lived in retirement at Knott End, but was buried at Rochdale.

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Hague, Benjamin (1811–1890).—A handloom weaver from nine years of age; later a newsagent; then manager of Barnsley Society. Member of C.W.S. Board, 1871 to 1873, and from 1874 to 1884. A Liberal and strenuous temperance worker.

Haigh, Isaac (d. 1903).—An accountant, and sometime committee-man of the Barnsley Society. Elected auditor to the C.W.S. in 1888, and died in office. Was for twelve years a member of the Barnsley Town Council.

Hall, Titus (1828–1897).—Born at Heywood, Lancashire. In mature life he was a cotton warp agent in Bradford, Yorkshire. Associated with co-operation in Bradford from the sixties, he was elected to the C.W.S. Committee in 1871. He retired in 1874, was re-elected in 1877, and sat until 1885, during part of which time he acted as secretary. For many years a director of the Co-operative Insurance Society. A steadfast Congregationalist and a strong Radical.

Hankinson, J.—Of Preston. Auditor to the C.W.S., 1864 to 1865.

Hawkins, George (1844–1908).—Born at Hertingfordbury, near Hertford; served an apprenticeship as a printer. In 1872 went to Oxford as compositor in Oriental languages at the University Press. This year saw the founding of the Oxford Society, and he joined the committee, and was for twenty-five years the society's president. A member of the C.W.S. Committee from 1885 to 1907. He acted as chairman of the London Branch for the later years. As chairman of the Exeter Congress, he distinguished himself in office by the brevity and point of his presidential address. An ardent trade unionist, local president of the Typographical Association, "father" to the "chapel" of the University Press, and principal organiser of the Oxford Trades and Labour Council; he was also a city councillor for Oxford.

Hayes, Thomas (1829–1912).—Born at Newton Heath, Manchester. A silkloom weaver, he joined a few friends in attempting co-operative weaving at nineteen years of age. Later (1859) was a leading founder, first secretary, and afterwards shopman of the Failsworth Industrial Society. Elected to the C.W.S. Committee in 1871; in 1874 he was appointed manager of the Crumpsall Works (see Chapter X.), holding the position for twenty-five years. Early connected with the Printing Society, and secretary for twenty-one years; chairman of the Newspaper Society also for its first four years; a reader from the time when he first bought the chartists' *Northern Star*. One of the band of working-class secularists and Radicals which inspired Howarth, Cooper, and others, and whose work in the co-operative movement stands in nothing behind that of their comrades inspired by a different faith.

Hemm, William P. (1820–1889).—A native of Nottingham, whose work as an engineer took him to Derby, where he was associated with the early struggles of the co-operative society. Returning to his native town, he was successively committee-man, auditor, and treasurer of the Lenton and Notts Society. Elected to the C.W.S. Committee in 1888, he died in office one year later. A Primitive Methodist, whose church membership and work extended over fifty years, and an active Liberal, he was also returned as the working man's candidate to the second Nottingham School Board.

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Hewkin, Henry (1852-1892).—A joiner by trade, a pioneer of the Oldham Industrial Society, and an "original member" of the C.W.S. Was first chairman of the Sun Mill Company Limited, Oldham, the earliest of the Oldham working-class joint-stock cotton-spinning companies.

Hibbert, Emanuel (1839-1895).—Born at Failsworth, Manchester, his only schooling was obtained at a Saturday-night class; he assisted his father in felt hat making when nine years old. After a period of employment at Oldham, he returned to Failsworth and the hat trade. Joined the Failsworth Society on his marriage in 1862, and subsequently served as a committee-man, and was chairman from 1873 to 1879. Elected to the C.W.S. Committee in 1882, and died in office. A Swedenborgian, he was connected with the New Church at Failsworth.

Hilton, James (1816-1890).—A native of Oldham; member of the Industrial Society from 1857, served as committee-man, and was thrice president. Elected to the C.W.S. Committee in 1884, and died in office.

Hilton, John (1824-1890).—One of the founders of the Middleton and Tonge Society, and subsequently a committee-man and president. An "original member" of the C.W.S., he served on its Committee from 1864 to 1868. He was one of the first representatives of the Co-operative Insurance Society. A Unitarian and Radical, he was keenly interested in all public affairs.

Hind, Thomas Austin (1838-1912).—An architect by profession, and for many years a committee-man of the Leicester Society. Elected to the C.W.S. Committee in 1877, he died in office. A member of the Church of England and a Liberal; as a Poor Law Guardian, a town councillor, a governor of the Leicester Royal Infirmary, and a director of the Leicester Temperance Building Society, he did much public work of a widely varied character.

Hines, George (1839).—Born near Ipswich. From the age of thirteen he followed the sea for several years, and afterwards worked on the railway. A founder of the Ipswich Co-operative Society, he served it in various offices for many years. Elected to the first C.W.S. London Branch Committee in 1874, he held office continuously until his retirement in 1907. Of literary tastes, for many years he has been a recognised contributor to the *Co-operative News*. Active in many public efforts in Ipswich, he was for twelve years a member of the School Board, and is a J.P. of the borough.

Holgate, R. (1832-1888).—By trade a mill overlooker, and for nine years general manager of the Darwen Industrial Society. Served on the C.W.S. Committee, 1869-70. A Liberal, and member of the Darwen Town Council from 1881 until his death.

Holyoake, George Jacob (1817-1906).—It is only necessary to remind the reader of some main facts in the long life of the prince of co-operative journalists. Born at Birmingham, the son of an engineer, and apprenticed as a tinsmith, he afterwards worked as a whitesmith. At fifteen years of age he became a chartist, and also attended meetings addressed by Robert Owen. Subsequently he travelled England and Scotland as an Owenite lecturer and propagandist of freethought. The story of his activities in many causes has been told by himself in *Sixty Years of an Agitator's Life* and *Bygones Worth*

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Remembering. Of all movements, however, he "cared most for co-operation," and undoubtedly no work of his bore better fruit than the writing of *Self-help for the People: The History of the Rochdale Pioneers*. The work, of which the first chapters appeared in the *Daily News* in 1857, was widely read in England and translated into various languages; and it lifted the Pioneers' method of co-operation out of obscurity into comparative eminence. A life-long advocate of co-operative production through self-governing workshops, in later years Holyoake contested the control of production by the consumers' movement which he had nursed. From 1875 to 1906 he published his *History of Co-operation*—in reality a series of papers, chiefly reminiscent, like the *Sixty Years* and the *Byjones*. It is as a champion of popular liberties and a persistently effective propagandist that George Jacob Holyoake will be always remembered.

Hooson, Edward (1825–1869).—Born near Halifax, he had practically no education, and started work early in life as a wire drawer. A chartist, he was one of the founders of the Union and Emancipation Society, and (when resident in Manchester) an "original member" of the C.W.S. He served on the Society's Committee from 1866 until his death. He was a friend of Ernest Jones, the famous chartist, near to whose body, in Ardwick Cemetery, Manchester, his own is buried.

Howard, Abraham (1830–1906).—An early member and sometime president of the Rochdale Pioneers' Society. Was auditor to the C.W.S., 1868–70. Removing to Liverpool, he helped to found and was first president of the City of Liverpool Society. A lifelong friend of J. T. W. Mitchell, and his co-worker in religious, temperance, and political spheres.

Howarth, Charles (1818–1868).—A warper in a Rochdale cotton mill, and an Owenite. Spoke in public against a long working day, and went to London to interview legislators in favour of the Ten Hours' Act. Drew up the rules of the "Co-operative Shop" at 15, Toad Lane, Rochdale, which failed in 1835. Nicknamed "the Lawyer." The rules for the Pioneers' Society "were mostly drawn up by him, and (said Cooper at his graveside) the principle of dividing profits on purchases in proportion to each member's trade was his proposal." Taught by the failure of 1835, he also advocated strict cash trading. A pioneer and "original member" of the C.W.S., he served on the first committee, and until October, 1866. He was also a director of the Co-operative Insurance Society until his decease. He died at Heywood, where his body was buried; his grave has been honoured especially by the Dutch co-operators. "In life he was a useful citizen; a freethinker in religion; in political and social questions an advanced and consistent reformer; a good husband and father; a true, constant, and faithful friend," was William Cooper's last tribute.

Howat, W. J. (1844).—Secretary of the Newcastle-on-Tyne Co-operative Society since 1882. He was formerly a millwright and pattern-maker. Served on the C.W.S. Committee, Newcastle Branch, from 1877 to 1883. He is a J.P. for Newcastle, a life governor of the Royal Infirmary, and a co-opted member of the City Distress Relief Committee.

Hughes, Thomas (1822–1896).—The author of *Tom Brown's Schooldays*. Was educated at Rugby under the great Dr. Arnold, father of the poet and

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critic, and at Oriel, Oxford. From a tour with a pupil in the North of England and Scotland, he returned "an ardent free trader," and wrote afterwards, "I was rapidly falling away from the political faith in which we had been brought up. . . . The noble side of democracy was carrying me away." Witnessing the competitive struggle for bread in London—"I almost became a physical force chartist." Called to the bar in 1848, he was in residence in Lincoln's Inn when he came under the great influence of his life, that of F. D. Maurice, its then chaplain, through whom he joined the Christian Socialists and linked himself with the co-operative movement, which commemorated his labours by founding the first co-operative scholarship at Oriel College. A Q.C. in 1869; M.P. from 1865 to 1874; County Court Judge (Chester) from 1882; and author of many books besides the classic *Tom Brown*.

Irving, Robert (1839-1904).—Was for some time a teacher in and afterwards principal of a private school. Served the Carlisle South End Society as committee-man and chairman. Elected to the C.W.S. Committee in 1892, and died in office. He was a member of the Carlisle School Board from 1886 to 1898.

Johnson, William A. (1830-1891).—Had a long and active connection with the Bolton Society. He served on the C.W.S. Committee from 1872 to 1885, with a break in 1876, when he was appointed manager of the newly-formed furnishing department. Was a director of the Co-operative Printing Society, 1875-1877, and its committee secretary at the time of his decease.

Jones, Lloyd (1811-1886).—Born at Bandon, of an old Welsh family which emigrated to Ireland under Cromwell, where his father became a nationalist and shared in the insurrection of '98. Brought up to fustian cutting; came to Manchester with his parents in 1827; became an Owenite in 1832, and a leader in the Owenite co-operative movement; endangered his life in opposing chartist extremists; joined the Christian Socialists on social rather than religious grounds, and took a leading part in the co-operative movement from then until his death. A trade unionist in 1827, from 1874 to 1879 he was frequently chosen as arbitrator for the workers in many large disputes. He contested Chester-le-Street as a Radical. Active in journalism from 1849; resigned from the *North British Daily Mail* in 1865 rather than write against the "North" in the American Civil War; founded the *Leeds Express*; was on the staff of the *Newcastle Daily Chronicle* and *Weekly Chronicle*, and wrote a series of papers advocating a *People's Party* under the extended suffrage; edited the *Miners' Watchman* and *Labour Sentinel*; was the author, also, of a *Life of Robert Owen*.

Kershaw, James (d. 1909).—An early member, a committee-man, and from 1902 president of the Rochdale Pioneers' Society; also at the time of his death he was chairman of the "Mitchell Hey;" was for seven years a director of the Co-operative Insurance Society. Acted in 1878 for a short time as auditor to the C.W.S. A Liberal and a town councillor.

Kingsley, Charles (1819-1875).—Novelist, poet, and Christian Socialist. Born in Devonshire. Ordained a minister of the Church of England, and was from 1844 rector of Eversley, Hampshire. His admiration for Maurice associated him with the Christian Socialists, through whom he came to know Thomas Hughes, afterwards his most intimate friend. His pamphlets

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(1848-1851) and his novels, *Yeast* and *Alton Locke*, revealed a passionate sympathy with the poor, but he was Tory rather than Radical. "He was thoroughly in harmony with the class of squires and country clergymen who required, in his opinion, to be roused to their duties, not deprived of their privileges." Co-operation he opposed to revolution. Bitterly and stupidly attacked at first, he was ultimately appointed a canon of Westminster. His better known works, beside those mentioned, include *Hypatia*, *Westward Ho!* *The Heroes*, *Two Years Ago*, *The Water Babies*, and *Poems*.

Lamb, Frederick (1843-1894).—A fitter in an engineering works, as nominee of the Banbury Society he was elected to the Committee of the C.W.S. London Branch in 1876, retiring in 1888. An active Wesleyan.

Lee, Isaiah (1833-1908).—Born in Oldham, the son of handloom weavers, at ten years of age he worked in a mill. Emigrating to America in 1854, he returned shortly afterwards and joined the co-operative movement, serving for many years on the committee of the Oldham Industrial Society. He was a member of the C.W.S. Committee from November, 1867, to November, 1868.

Lever, Samuel (1829-1888).—A native of Halifax, he migrated to Bacup in the sixties. Many years president of Bacup Society, he was elected to the C.W.S. Committee in 1876. Retiring in 1885, he again obtained a seat in 1886 and held office until his death. A power-loom overlooker by trade and an active Liberal in politics.

Longfield, Edward.—Nominated by the Manchester and Salford Equitable Society, he served on the C.W.S. Committee from May to November, 1867, during which period he held office as treasurer. A secretary of the Manchester Mechanics' Institute, and, later, secretary of the co-operative mill at Sabden.

Lord, James E. (1852-1910).—Born at Rochdale, he began his working life at the loom, and afterwards became a bookkeeper. A member of the Pioneers' Society, he was appointed secretary in 1881, retaining the office until 1898. An auditor of the C.W.S. from 1885 until his death; auditor also of the Insurance Society, the Printing Society, and numerous local societies.

Lord, John, J.P. (1842-1909).—Joined the Accrington Society in the early sixties. He served for twenty-one years on its committee, three years as president; later, was elected to the Central Board of the Co-operative Union. Elected to the C.W.S. Committee in 1883, he resigned on account of ill-health in 1907. Appointed a J.P. for Accrington in 1892.

Lownds, James (1831-1895).—Of Ashton. Apprenticed to shoemaking, later he entered the employ of the Prudential Assurance Company, and joined the Ashton-under-Lyne Society in the seventies, serving on the committee and as chairman for five successive years. A director and for many years chairman of the Star Corn Mill. Elected to the C.W.S. Committee in 1885, he died in office. A devoted worker for Primitive Methodism, and for over thirty years a Sunday School superintendent.

Ludlow, J. M. (1821-1911).—Born in India, the son of an army officer. Educated in Paris, receiving the degree of Bachelor of the University of France. He it was who brought from Paris to Lincoln's Inn those ideas of the

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French Socialists upon which the Christian Socialists drew for their economic and social proposals. An active member of the little brotherhood of Christian Socialists, his interest in and connection with all forms of co-operation was almost life-long. As the last survivor of the group, he addressed the Co-operative Congress at Stratford in 1904 in favour of international peace. Amongst many activities he was Registrar of Friendly Societies from 1874 until 1891. He received the honour of a C.B. in 1888, and was the author of many books, including the *Progress of the Working Classes, 1832-67*, in collaboration with Lloyd Jones.

Mc.Nab, Joseph (1842-1898).—Engineer, founder of an engineering firm, and a director of several other engineering concerns. Nominated by the Hyde Society, he was elected to the C.W.S. Committee in 1883, retiring in 1886.

Marcroft, William (1822-1894).—Born at Middleton. At eight years of age worked in a cotton mill at Heywood, and afterwards became a machine grinder at Oldham; familiarly known as "Owd Billy Marcroft." A pioneer of the Oldham Industrial Society, and No. 1 on the books, and also a leading pioneer and "original member" of the C.W.S. Served on the C.W.S. Committee, 1869-1871. A strong believer in thrift, he led in the penny bank movement amongst co-operators, and in forming the Sun Cotton Mill and other Oldham "limiteds;" a promoter also of the Co-operative Insurance Society. A temperance advocate from 1848, he held various offices in connection with the Rechabites, and wrote many pamphlets both on temperance and co-operation.

Maurice, Frederick Denison (1805-1872).—"The spiritual leader of the Christian Socialists." Born near Lowestoft, the son of a Unitarian minister, he was intended by his father for the same ministry, but he revolted, resolving to become a barrister. In 1834 he took orders in the Church of England. As chaplain of Lincoln's Inn (1846) he met Thomas Hughes and J. M. Ludlow; Charles Kingsley's acquaintance he had previously made. He was profoundly affected by the revolutionary movements of 1848, and, whilst recognising the need of change, with his friends endeavoured to substitute a definitely Christian basis for the secular thinking of many of the revolutionaries—hence the term of avowal, "Christian Socialists." Kingsley called him "the most beautiful human soul" he had known.

Mitchell, Abraham (1823-1885).—Of Rochdale. Member of the C.W.S. Committee from August to November, 1870. For many years a Guardian of the Poor.

Mitchell, John Thomas Whitehead (1828-1895).—Born at Rochdale in humble circumstances, his mother being tenant of a small beerhouse. His grandfather was a loser by the failure of the Toad Lane co-operative shop of 1835. Entered the flannel trade and started business for himself, but gradually gave this up for co-operative work. Joined the Rochdale Pioneers' Society in 1853; on the committee in 1855; a member of the C.W.S. Committee in 1869; chairman in 1874 and until his death. A Son of Temperance and superintendent for many years of the Milton Church Sunday School (Congregational), Rochdale. (See Chapter XIX.—or any one of a hundred pages of this History.)

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Moore, William (1828–1878).—A handloom carpet weaver; keenly interested in working-class advancement; served on the C.W.S. Committee, 1870–1871. Intimately associated with the Carpet Weavers' Association, he was sometime president of the Dewsbury Trades Council. A Unitarian and a leading Radical, he filled many public offices.

Neale, E. V. (1810–1892).—Born at Bath, of an old family connected, by marriage, with Cromwell; educated at home and at Oriel College, Oxford. Entered Lincoln's Inn, met Maurice, and became a Christian Socialist and a co-operator for the rest of his life. Established and financed the central agency (see Chapter II.); by unwearying and practically unpaid labours secured the passing of the Act which made a C.W.S. possible (Chapter III. and *ibid*). Voluntarily undertook the general secretaryship of the Co-operative Union in 1875, when no eligible candidate appeared; acted also as director of the Insurance Society and of the Newspaper Society. (See also Chapter XIX.)

Neild, James (1829–1895).—Of Mossley. Power-loom overlooker by trade; first secretary of Mossley Society; chartist and always an advanced man in politics; closely connected with the Oddfellows and the Foresters, and active in local charities. Borough councillor for twenty years. His periods of service on the C.W.S. Committee were from March, 1864, to November, 1865, and from November, 1867, to November, 1868.

North, Alfred (1847–1905).—Formerly a master joiner. Actively associated with the Batley Society. Elected to the C.W.S. Committee in 1883, retaining his seat until his decease. A Liberal in politics, and an alderman of Batley.

Nuttall, William (1835–1905).—Apprenticed to shoemaking, and a master shoemaker in a small way at an early age. In 1863 he became the first whole-time secretary of the Oldham Equitable Society. Interested in the formation of the C.W.S. from the start, he served on the Committee from November, 1865, to February, 1866, and from June, 1876, to December, 1877. He also served the Society as cashier from 1868 to 1870, and was the first editor of the *C.W.S. Annual* as a separate publication. He was a founder of the *Co-operative News* and of the Printing Society, and also for some years secretary to the Central Co-operative Board (Co-operative Union). In 1883 he went to Australia, receiving public recognition of his work for co-operation on his departure; but he returned some sixteen years later. "Possessed of a penetrating mind," he had "a passion for figures." Brilliant, if erratic, during the critical early period he took a leading part in shaping the co-operative conceptions of the federal school.

Owen, Robert (1771–1858).—The father of the modern social movement. Born at Newtown, Montgomeryshire, the son of a saddler and ironmonger; was scantily educated; assisted in an elementary school, and afterwards in a draper's shop. At eighteen years of age he became a partner in a Manchester cotton-spinning factory, living in Cooper Street, opposite to where the C.W.S. ultimately had its first offices. Later, with his partners, he bought the New Lanark mills, N.B., where he began "to revolutionise peaceably the minds and practise of the human race." Less successful in later life, he yet exerted an influence whose effects it would be impertinent to summarise in a few lines. Democratic in aim and autocratic in temper and method, he was a man of

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contrasts—pithily expressed by Sir Leslie Stephen, when he described Owen as “one of those intolerable bores who are the salt of the earth.”

Patterson, Joseph (1828–1892).—Born at Fiddler's Green, Whitley Bay, he worked in a coal mine at seven years of age, eventually becoming under-manager of the Shankhouse Colliery, Cramlington. A committee-man of the West Cramlington Society from 1871 to 1880, and again from 1886 to 1887. Elected to the C.W.S. Committee in December, 1874, he held office as secretary of the Newcastle Branch, retiring in September, 1877. An active Methodist, a Good Templar, and sometime a member of the Primrose League.

Pearson, Thomas (1839–1903).—A committee-man and sometime president of the Eccles Provident Society, in 1869 he was elected to the Committee of the C.W.S., but resigned two years later. Early in 1872 he was appointed provision buyer to the C.W.S., a post which he faithfully and capably filled until his death.

Percival, James Marsden (1833–1895).—Born in Ardwick, Manchester. Became a clerk with the Bridgewater Canal, and then an estate and insurance agent. One of the founders of the Manchester and Salford Equitable Society, projected at a meeting of the Roby Brotherhood on Christmas Eve, 1858. President of that society, 1864–68, and “a thorough supporter of the Wholesale;” became treasurer of the C.W.S. in 1868, holding that office until it was abolished; afterwards accountant and then an auditor; last vacated a seat on the directorate in 1882, when he became assistant buyer at New York to Mr. Gledhill; in 1894 became the first C.W.S. representative in Montreal, and died in office.

Pickersgill, J. (1839–1901).—By profession a cashier and broker, as nominee of the Batley Carr Society he was appointed to the C.W.S. Committee in 1874, retiring in 1877. A Wesleyan, and in politics a Liberal, he sought no office of a public character except in the co-operative movement.

Pinkney, Thomas.—Of Newbottle. Associated with the C.W.S. Newcastle Branch Committee at the start, he retired in March, 1875.

Pitman, Henry (1826–1909).—Co-operator, stenographer, vegetarian, and anti-vaccinator. Younger brother of Sir Isaac Pitman, he was born at Trowbridge in 1826. About 1846 he lectured on his brother's new system of shorthand, and in 1848, as professional reporter and teacher, he settled in Manchester. Founded the *Co-operator* in 1860, and edited it until its decline after the institution of the *Co-operative News*. Advocated a C.W.S. in 1860, and, later, became honorary representative of the Society. For forty years the official reporter of the Co-operative Congresses, attending at Newcastle in the year of his death. On one occasion he went to prison as an anti-vaccinator. For over sixty years a strict vegetarian, he was also an advocate of temperance, and interested in the United Kingdom Alliance.

Pumphrey, Henry (1831–1908).—One of the founders of the Lewes Society in 1865; first secretary and afterwards president. Elected to the C.W.S. Committee (London Branch) in 1874, was secretary of the Branch for twenty years, and also vice-chairman; retired in March, 1907, after more than thirty-two years' service. A town councillor of Lewes from 1881 to 1883.

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Robinson, William (1833-1906).—A paper maker by trade, chairman for twenty years of the Shotley Bridge Society, now amalgamated with Consett. Elected to the C.W.S. Committee (Newcastle Branch) in 1877, he retired in 1884. A member of the Benfreedside Local Board.

Rule, Thomas (1822).—Born at Norham. A slater and plasterer by trade, he became a teacher for about twelve years, but for reasons of health afterwards returned to his old trade. A founder and for thirty years a worker in the Gateshead Society; is a J.P., and was sometime a member of the Gateshead Town Council. Elected to the C.W.S. Committee in 1893, he retired in 1903.

Rutherford, John Hunter (1826-1890).—Born at Jedburgh. Preached in the open air at Newcastle to large congregations in 1849; formed a church called the Gospel Diffusion Church; Congregational preacher at Bath Lane, Newcastle-on-Tyne. L.R.C.S. and L.R.C.P., Edinburgh, 1869, and had a large practice as a medical man. Temperance advocate and educational reformer, and prominent in the co-operative movement through the Industrial Bank and the Ouseburn Works in the seventies. His funeral at Newcastle was attended by 10,000 persons.

Scotton, Amos (1833-1904).—Born near Leicester, but "essentially a 'Darbean.'" A painter by trade. Joined the Derby Society in 1858; secretary, Midland Sectional Board from 1877 to 1891; chairman of the Derby Congress in 1884; joint author with G. J. Holyoake of the *History of the Derby Society*. Elected to the C.W.S. Committee in 1890, and a member until his death.

Shillito, John.—See page 394.

Shorrocks, Thomas (1834-1911).—A weaver and ultimately a cotton manufacturer. One of the first members of the Darwen Industrial Society, and a member of that society's committee for twenty years. Served on the C.W.S. Committee from May to November, 1871. A staunch Liberal and Nonconformist.

Smithies, James (1819-1869).—Born at Huddersfield. Received a fair education, and at Rochdale was apprenticed to a wool-stapler, in which business he set up for himself. Howarth, Cooper, Daly, and other Rochdale pioneers frequently met at his house in "Henland." Smithies is credited with having looked beyond the Pioneers' beginning to wholesale trading and shipowning, the idea of "sailing our own ships" being for some reason a common ambition of Rochdale men from Smithies to Mitchell. A pioneer of the C.W.S. and an "original member," he served on the first Committee elected, insisting upon attending a meeting at Manchester although in ill-health shortly before his death. Personal friends declared that he gave to co-operation the effort that otherwise would have made him a rich man. A town councillor of Rochdale, his funeral at Rochdale Cemetery was an event publicly honoured.

Stansfield, John (1828-1906).—A member of the Heckmondwike Society; elected to the C.W.S. Committee in 1874, serving in that capacity until 1898; helped in the establishment of the C.W.S. boot factory at Heckmondwike.

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Steel, John (1831-1892).—A cabinet maker by trade. One of the eleven persons who attended the meeting which decided to form the Newcastle-on-Tyne Society. Served on the C.W.S. Committee (Newcastle Branch) from 1874 to 1876.

Stephenson, F. R. (1833-1905).—A boot and shoe maker; member of the Halifax Society, and of the C.W.S. Committee from September, 1876, to March, 1877.

Stoker, William (1835-1902).—Of Seaton Delaval; largely self-educated; early a leader of the Northumbrian miners. One of the oldest members of the Seaton Delaval Society, he was elected to the C.W.S. Committee in 1893, and remained a member until his death. He was an active worker in the United Methodist Free Church, and besides preaching frequently he met Mrs. Besant, G. J. Holyoake, and G. W. Foote in debate.

Stott, Samuel (1824-1897).—Of Rochdale. A member of the Pioneers' Society; first president of the Rochdale Corn Mill; a resolute supporter of wholesale co-operation, and a pioneer and "original member" of the C.W.S.

Strawn, William (1845-1909).—Educated at Greenwich School; entered the dockyard at Sheerness as draughtsman; became a member of the Sheerness Society, and secretary in 1870. Elected to the C.W.S. Committee in 1875, and retired in 1882 to become chief clerk at the London Branch. From 1875 to 1882 he was secretary of the Portmanteau Makers' Co-operative Society, and was also connected with the Co-operative Printing Society.

Sutcliffe, Thomas (1838-1908).—Joiner and cabinet maker, farmer, tax collector, and builder. Elected to the C.W.S. Committee on the nomination of the Todmorden Society in 1868, but retired in 1869.

Sutherland, George (1825-1904).—Born in Manchester; apprenticed to engineering; employed at the Royal Arsenal in 1861, and "famous for his mechanical skill." One of the earliest members of the Royal Arsenal Society, and ten years its chairman. Elected to the C.W.S. Committee in 1883, he held office until his death.

Swann, Thomas (1831-1899).—Born at Masbro'. Became departmental manager in works and first clerk to the Rotherham School Board in 1875, holding that office until 1896. Sometime manager of the Rotherham Savings Bank. Treasurer of the Masbro' Society from 1872; on the board of the Newspaper Society from 1887; member of the C.W.S. Committee from 1882 until his death, being chairman of the Shipping Committee for fourteen years. He was also the last member of the General Committee to act as secretary of the Society, the position on his decease being filled by the Society's accountant, Mr. T. Brodrick. In religion he was a life-long Congregationalist.

Swindles, Joseph (1818-1893).—President of the Hyde Equitable Society in 1869; member of the C.W.S. Committee from November, 1868, to November, 1869. A prominent trade unionist, and secretary of the Amalgamated Society of Engineers for some twelve years. A Liberal and a Unitarian.

Biographical Index.

Taylor, Samuel (1828-1891).—By trade an iron-planer; president of the Bolton Trades Council, also of the Rochdale Corn Mill Society; especially appointed a member of the Technical Instruction Committee, though not a councillor; a promoter of the Bolton Working Men's Club. For several years a committee-man of the Bolton Co-operative Society, and for three years its president. Elected to the C.W.S. in 1885, he died in office.

Thirlaway, John (1844-1892).—Identified as a young man with the Gateshead Society; auditor for two years, then secretary for over twenty-one years. Elected to the C.W.S. Committee in 1876, he acted as secretary for the Newcastle Branch. Possessing "essentially a practical mind," he lent a strong support to the C.W.S. Committee in the controversies of his period, and also wrote papers on "Check Systems" (for the Glasgow Congress), "Cost Price," and similar matters of business. He died in the midst of his life's work.

Thomasson, John (1823-1887).—Of Oldham. A foreman turner. For thirty years an active worker in connection with the Salem Moravian Schools and Chapel; pioneer and director of the Central Mills Company, Oldham. From the Oldham Equitable Society he came to the C.W.S. Board in 1866, and retired in 1869.

Thomson, Richard (1807-1902).—Of Sunderland. President of Sunderland Society for fifteen years. Elected to the C.W.S. Committee (Newcastle Branch) in 1874, and retired on account of advancing years in 1893.

Thorpe, J. (1836).—Born in 1836 and in good health in 1913. A worsted spinner by trade. For many years a member of the Halifax Society's committee, and for thirty years of the Calderdale Sundries Society. Served on the C.W.S. Committee, 1872-3. A friendly society worker for fifty years, being lodge treasurer for forty-three; a Unitarian and a Liberal.

Tutt, Richard Hutchinson (1840-1904).—Born at Hastings, the first forty-five years of his life were spent at Sheerness, where he entered Government service. Joining the Sheerness Society in 1864, he served on the committee, acted as secretary, and in 1870 was elected president. He was also active in the Co-operative Union. Removing to Plymouth in 1886, he served on the Western Sectional Board of the Union and on the Devonport County Council. In 1894 he became secretary to the Southern Sectional Board of the Co-operative Union. Elected to the C.W.S. Committee in 1897, he died in office in 1904. "There is none who has given more of his entire life to the cause than did R. H. Tutt."

Tweddell, Thomas (1833).—Born at Byker, Newcastle-on-Tyne. Went to Hartlepool in the employment of the North-Eastern Railway Company, and soon became prominent in local public work. Was a member of the Town Council, the School Board, the Board of Guardians, and the Port Sanitary Authority, and chairman of the committee which undertook the building of the sea-wall and promenade that protects the headland of Hartlepool and the Town Moor from erosion. Took a leading part in 1880 in the formation of the Hartlepoons Co-operative Society, and still retains the position of secretary. Elected to the Newcastle Branch Committee of the C.W.S., he became chairman of the branch in 1893, relinquishing all other public work. Was president on the first day of the Sunderland Congress, 1894, the address then

The Story of the C.W.S.

delivered forming the basis of the paper on *The Co-operation of Consumers*, read by invitation of the British Association before the Economic Section at Leicester in 1907. Vice-chairman of the C.W.S. since the re-constitution in 1906, and a J.P. for the borough of West Hartlepool.

Warwick, Joseph (1845–1912).—Born at Carlisle, the son of a joiner; first worked at his father's trade and later as a smith. Elected to the committee of the North Shields Society in 1882, he served as president from 1887 to 1891, and was the Local Editor of the *Wheatsheaf* from its commencement in 1896 to 1903. Presided over the Middlesbrough Congress of 1901. A member of the C.W.S. Committee from 1903 until his decease. A Wesleyan Methodist, well known as a local preacher, and in politics a Liberal.

Watts, John (1818–1887).—Born at Coventry, the son of a ribbon-weaver and one of twelve children; self-educated. Suffering a partial paralysis, he was unable to follow manual employment, and became assistant secretary and librarian at the local Mechanics' Institute; then an Owenite lecturer. In 1841 he taught a boys' school in Manchester; in 1844 he gave up the community ideal of Owen as impracticable. Received the degree of Ph.D. from the University of Glasgow. In 1845 he took part in the movement which gave three public parks to Manchester and Salford; in 1850 led in the establishment at Manchester of the first public free library; promoted the People's Provident Assurance Society, and embodied lessons of its failure in drafting the Bill which became the Life Assurance Act of 1870; active member of Manchester School Board from 1870; wrote the *History of the Cotton Famine*. Always a keen supporter of the C.W.S., in the *Co-operative News* he powerfully advocated and defended the federal system of co-operation, rendering great service to the Society and the movement. "His history," said the *Liverpool Mercury* in a memorial notice, "was to a large extent the record of the intellectual progress of Manchester for the last forty years."

Webb, T. E. (1829–1896).—Of Battersea. Worked as a child in a candle factory; afterwards as a copper-smith. A pioneer of modern co-operation in London, he helped to found a society at Battersea, and was successively committee-man, chairman, secretary, and secretary and manager from 1854 to 1890, when he became its honorary president. He was also the first president of the People's Co-operative Society—another valiant attempt to solve the problem of London. A member of the first C.W.S. London Branch Committee (1874), he retained his seat until his decease. Miss Catherine Webb, editor of the co-operative text-book, *Industrial Co-operation*, is his daughter.

Whiley, Henry (1834–1893).—Apprenticed to agricultural engineering in Sturton, Lincolnshire; in 1865 he was appointed assistant surveyor and sanitary inspector to the Manchester Corporation, and became chief surveyor in 1873, originating many devices for the better disposal of refuse. A member of the Central Co-operative Board from its institution in 1869 to about 1875; also of the Newspaper Board from 1871 to 1875. A member of the C.W.S. Committee from 1872 to 1874 and from 1874 to 1876.

Whiteley, Job (1817–1879).—Of Halifax. Served on the C.W.S. Committee from August, 1871, to February, 1872, and from February, 1873, to February, 1874. A mill manager in business, a Liberal, and a Methodist (New Connexion), he was prominent also as an Oddfellow.

Biographical Index.

Whittle, Richard (1820–1886).—Went to Crewe in 1850 and worked as a striker in the railway works of the L. and N.-W. Company. Joined the Crewe Society in 1851, and was appointed secretary in 1852. Member of the Crewe Local Board, 1872; elected to the town council, 1877; Mayor of Crewe, 1879–1880; elected alderman in 1884 and again Mayor, 1884–1885; a J.P. for Crewe. Elected to the C.W.S. Committee in 1877, he remained on the directorate until 1886. A churchwarden in 1875, later he joined the Congregationalists. In politics he was a strong Liberal.



MONUMENT OVER THE GRAVE OF J. T. W. MITCHELL
AT ROCHDALE.

The Chairman of the Society.

BY reason of his long connection with the C.W.S., his vigorous old age, and his personality, Mr. John Shillito, the chairman of the Society, occupies in 1913 an exceptional position. Born near Halifax on January 19th, 1832, he started work at ten years of age, and, in his own words, "has never given up yet." He was apprenticed to card wire drawing in his native town, an industry connected with carpet making, and afterwards rose to a post of control in a wire-drawing business, a position which he held for thirty years. His connection with co-operation dates from 1865, when he joined the Halifax Industrial Society, of which he is still a member. He was first elected to the C.W.S. Committee in November, 1870, appearing on the executive only some twelve months later than J. T. W. Mitchell. He retired in August, 1871, but reappeared in December, 1883. As vice-chairman at the time of Mitchell's death in 1895, he assisted the then chairman on the last journey of the latter from London to Rochdale, helped him to his home, and spoke very soon afterwards at his graveside. His election to the chair thus vacated was unanimous. Speaking at a dinner given by Mr. Shillito in March, 1910, Mr. Tweddell, the vice-chairman, said: "When Mr. J. T. W. Mitchell was taken from amongst them, it was upon his (Mr. Tweddell's) motion that Mr. Shillito was appointed chairman, and he simply interpreted the unanimous opinion of the board. There was nothing he could look back upon with greater pleasure than that incident, and the selection of Mr. Shillito had been justified a thousand times over. It had been justified by his industry, his grasp and knowledge of the details of the business, his honesty of purpose, his strict integrity, and by his kind and genial disposition, which everybody present had experienced."

Although most of his early education was obtained at the local mechanics' institute, Mr. Shillito is an F.R.G.S., being keenly interested in geographical research. One of his most prized recollections is that of having entertained Captain Scott at Balloon Street, shortly before the explorer's tragic journey to the South Pole. His educational interests are also indicated by the fact that for six years he was a member of the Halifax School Board. A Liberal and a Free Trader (remembering the "hungry forties"), in religion the C.W.S. chairman is a Unitarian, having been connected for over forty years with the Northgate End Chapel in Halifax.

In December, 1910, Mr. Shillito was the recipient of a portrait of himself, painted by Mr. Walter Emsley and subscribed for by his colleagues on the C.W.S. Committee, the auditors and scrutineers, and the chief employees. An illuminated address accompanied the portrait, to record "the expression of our warmest affection and highest esteem." Mr. Tweddell, who made the presentation, also asked the acceptance by Mrs. Shillito of a silver tea and coffee service. The portrait now hangs in the C.W.S. boardroom at the headquarters of the Society in Manchester, facing that of J. T. W. Mitchell.

The Chairman of the Society.

This ceremony, however, in no way marked a retirement, for as recently as January, 1913, the octogenarian chairman was in Ceylon on the business of the Society.

In 1903 Mr. Shillito presided over the Co-operative Congress held at Doncaster; and one may end this note by quoting the final words of his presidential address. After touching on the principle of mutual aid which will "enable us to consider the rights of everyone as equal to our own," he concluded: "I beseech you at all times to uphold the dignity and reputation of the co-operative movement. Let all your business transactions be honourable. Do not allow any mean and base motive to prejudice your minds. It has cost much self-sacrifice to attain the position we are so proud to hold. The future is in your hands—it will be what you determine."



STATUETTE PRESENTED TO THE
C.W.S. BY THE AUSTRIAN WHOLESALE SOCIETY,
IN COMMEMORATION OF THE AUSTRIAN CO-OPERATORS' VISIT,
AUGUST 31ST TO SEPTEMBER 7TH, 1908.

IT BEARS THE INSCRIPTION—

*"Then let us pray that come it may,
(As come it will for a' that),
That sense and worth, o'er a' the earth,
May bear the gree, and a' that.
For a' that, and a' that,
It's coming yet, for a' that,
That man to man, the world o'er,
Shall brothers be for a' that."*

List of Present Committee and Officers.

THE COMMITTEE—

ADAMS, Mr. T., 12, Park View, Stockton-on-Tees.
 ALLEN, Mr. T. W., 19, Bryngwyn Road, Newport, Mon.
 COLEY, Mr. P., 22, Stansfield Street, Sunderland.
 DEANS, Mr. A., The Limes, Belle Grove, Welling, Kent.
 DUDLEY, Mr. W. E., Highlands Road, Runcorn.
 ELSEY, Mr. H., Bickleigh, Festing Grove, Festing Road, Southsea.
 ENGLISH, Mr. J., Tyneholme, Birtley, R.S.O., Co. Durham.
 GRAHAM, Mr. E. J., 65, Crown Street, Newcastle-on-Tyne.
 GRAHAM, Mr. W. D., 123, Bede Burn Road, Jarrow-on-Tyne.
 GRINDROD, Mr. E., 15, Holker Street, Keighley.
 HAYHURST, Mr. G., Hameldon, Manchester Road, Accrington.
 HEMINGWAY, Mr. W., 108, Bolton Road, Pendleton, Manchester.
 HENSON, Mr. T. J., 11, Weatheroak Road, Sparkhill, Birmingham.
 HOLT, Mr. R., Brier Crest, Deeplish Road, Rochdale.
 JOHNS, Mr. J. E., Glen Aber, 3, Brunswick Hill, Reading.
 KILLON, Mr. T., 7, Tenterden Street, Bury.
 KING, Mr. J. W., 15, Petteril Street, Carlisle.
 LANDER, Mr. W., 32, Grosvenor Street, Bolton.
 MARSHALL, Mr. C., 33, Wentworth Road, York.
 MCINNIS, Mr. D., Hamilton Road, Lincoln.
 MOORHOUSE, Mr. T. E., *Reporter* Office, Delph.
 MORT, Mr. I., 233, High Road, Leyton, Essex.
 PARKES, Mr. M., 16, Heathfield Avenue, Crewe.
 PINGSTONE, Mr. H. C., Yew Bank, Brook Road, Heaton Chapel, Manchester.
 SHILLITO, Mr. J. (*President*), 4, Park View, Hopwood Lane, Halifax.
 SHOTTON, Mr. T. E., Summerhill, Shotley Bridge, Durham.
 THORPE, Mr. G., 6, Northfield, Highroyd, Dewsbury.
 THREADGILL, Mr. A. E., 4, Sherfield Road, Grays, Essex.
 TWEDDELL, Mr. T. (*Vice-President*), Lyndenhurst, Hutton Avenue, West Hartlepool.
 WILKINS, Mr. H. J. A., 35, Hamilton Gardens, Mutley, Plymouth.
 WOODHOUSE, Mr. G., The Laurels, 27, Renals Street, Derby.
 YOUNGS, Mr. H. J., 6, Portland Place, Old Palace Road, Norwich.

SCRUTINEERS—

Mr. F. HARDERN, Oldham.

Mr. J. J. BARSTOW, Dewsbury.

AUDITORS—

Mr. T. J. BAYLIS, Masborough.

Mr. C. J. BECKETT, Darwen.

Mr. T. WOOD, Manchester.

Mr. B. TETLOW, Newcastle-on-Tyne.

Mr. J. SMITH, Middlesbrough.

OFFICERS OF THE SOCIETY—

Mr. T. BRODRICK Secretary and Accountant.

Mr. T. GOODWIN Bank Manager and Cashier.

Buyers, Salesmen, &c.

BUYERS, SALESMEN, &c.

MANCHESTER GROCERY AND PROVISIONS—

Mr. J. HOLDEN.	Mr. A. W. LOBB.	Mr. J. MASTIN.
Mr. R. TURNER.	Mr. L. WILSON.	

Mr. H. WIGGINS.....	Manchester Paper, Twine, &c.
Mr. J. JACKSON	Grocery Warehouse.
Mr. G. GARNER	Trafford Bacon Factory.
Mr. J. SMITH	Trafford Wharf Warehouse.

MANCHESTER DRAPERY AND ALLIED DEPARTMENTS—

Mr. W. GIBSON.

Mr. J. D. BALL.	Mr. J. C. FODEN.	Mr. P. RYDER.
Mr. J. BLOMELEY.	Mr. E. LEES.	Mr. W. SWINDALE.
Mr. J. BOWDEN.	Mr. H. MOORES.	Mr. G. TOMLINSON.
Mr. J. EDE.	Mr. E. C. REVETT.	

MANCHESTER BOOTS AND FURNISHING—

Mr. H. JACKSON	Boots and Shoes and Saddlery.
Mr. T. R. ALLEN	General Furnishing.
Mr. F. E. HOWARTH	Furniture and Hardware.
Mr. S. ALLEN	Coal Department.
Mr. R. ASHTON	Manchester, Leeds, Newcastle, and Beeston Hides and Skins.
Mr. R. ASHTON.....	Pontefract Fellmongering.
Mr. A. E. MENZIES.....	Shipping Department.

SHIPPING AND FORWARDING DEPÔTS—

Mr. W. L. KEWLEY	Liverpool Grocery and Provisions.
Mr. J. MARQUIS	Rouen (France).
Mr. E. W. RAPER.....	Goole.
Mr. W. B. PRICE	Joint London Tea and Coffee.
Mr. E. J. STAFFORD	Joint Luton Cocoa and Chocolate.

SALEROOMS—

Mr. W. POLLARD	Leeds.
Mr. A. DELVES	Nottingham.
Mr. J. O'BRIEN	Huddersfield.
Mr. J. BARLOW	Birmingham.
Mr. H. SHELMERDINE	Blackburn.
Mr. J. RHODES	Longton Crockery Dépôt.
Mr. H. H. BAILEY.....	Birmingham Cycle Dépôt.

NEWCASTLE—

Mr. H. R. BAILEY	Chief Clerk.
Mr. R. WILKINSON	Grocery and Provisions.
Mr. T. WEATHERSON	Grocery and Provisions.
Mr. J. ATKINSON	Greengrocery.
Mr. R. A. WALLIS	Drugs, Drysaltery, &c.
Mr. H. GLENNY	Paper, Twine, &c.
Mr. J. LEE	Dress.
Mr. W. STODDART	Manchester and Greys.
Mr. T. TOWNS.....	Hosiery, Haberdashery, Mercery, Millinery, Fancy, and Mantles.

The Story of the C.W.S.

NEWCASTLE (*continued*)—

Mr. J. THOMPSON	Woollens and Ready-mades.
Mr. O. JACKSON.....	Boots and Shoes.
Mr. J. W. TAYLOR	Furniture, Carpets, and Hardware.
Mr. H. H. BAILEY.....	Jewellery, Fancy Goods, and Saddlery.
Mr. E. NELSON	Coal.
Mr. E. JONES	Cattle.

LONDON—

Mr. W. E. S. COCK	Chief Clerk.
Mr. W. OPENSHAW.....	Grocery and Provisions.
Mr. F. G. WADDINGTON	Manchester Goods, Haberdashery, Hosiery, &c.
Mr. J. W. FORSTER.....	Millinery, Dress, Fancy, and Mantles.
Mr. G. HAY.....	Woollens and Ready-mades.
Mr. A. PARTRIDGE	Boots and Shoes.
Mr. F. LING	Furnishing.
Mr. J. BURGESS	Coal.

BRISTOL DEPÔT—

Mr. J. WHITE.....	Chief Clerk.
Mr. J. W. JUSTHAM	Grocery and Provisions.
Mr. W. J. SHEPHARD.....	Drapery.
Mr. G. H. BARNES	Woollens and Ready-mades.
Mr. W. WALFORD	Boots and Shoes.
Mr. G. BLANSHARD	Furnishing.
Mr. O. THOMAS	Brislington Factory.

CARDIFF DEPÔT—

Mr. H. L. WARREN	Chief Clerk.
Mr. J. F. JAMES	Grocery and Provisions.
Mr. W. J. SHEPHARD.....	Drapery.
Mr. E. FLUDE	Millinery and Fancy Drapery.

NORTHAMPTON DEPÔT—

Mr. A. BAKER.....	Grocery and Provisions.
Mr. G. PEARSON	Drapery.

IRISH DEPÔTS: BUTTER AND EGGS, ALSO BACON FACTORY—

Mr. P. HURLEY	Limerick.
Mr. J. J. MCCARTHY	Tralee.
Mr. J. TURNBULL	Cork.
Mr. P. O'NEILL	Armagh.
Mr. J. ROBINSON.....	Tralee Bacon Factory.

COLONIAL AND FOREIGN DEPÔTS—

Mr. J. GLEDHILL.....	New York (America).
Mr. W. DILWORTH	Copenhagen (Denmark).
Mr. H. J. W. MADSEN	Aarhus (Denmark).
Mr. W. JOHNSON	Göteborg (Sweden).
Mr. A. C. WIELAND	Montreal (Canada).
Mr. C. W. KIRCHHOFF	Odense (Denmark).
Mr. H. C. KONGSTAD.....	Esbjerg (Denmark).
Mr. A. MADSEN	Herning (Denmark).
Mr. W. J. PIPER	Denia (Spain).
Mr. G. PRICE	Colombo (Ceylon).

Managers, &c.

MANAGERS, PRODUCTIVE, &c., WORKS.

Mr. F. E. L. HARRIS, A.R.I.B.A.	Architect.
Mr. A. H. HOBLEY	Avonmouth Flour Mill.
Mr. S. BOOTHROYD.....	Batley Woollen Cloth Mill.
Mr. A. THORP	Birtley Tinsplate Works.
Mr. F. E. HOWARTH	Broughton Cabinet Factory.
Mr. A. GRIERSON	Broughton Clothing Factory.
Mr. J. G. HARRISON	Broughton Mantle Factory.
Mr. J. EDE	Broughton Shirt Factory and Sheffield Overall Factory.
Mr. R. KERSHAW	Broughton Underclothing Factory.
Mr. H. TOWNLEY	Building Department, Manchester.
Mr. H. BLACKBURN	Bury Weaving Shed.
Mr. G. BRILL	Crumpsall Biscuit, &c., Works.
Mr. P. THOMAS	Desborough Corset Factory.
Mr. J. ROUND.....	Dudley General Hardware Works.
Mr. T. PARKINSON.....	Dunston Flour Mill.
Mr. R. L. GASS.....	Engineer.
Mr. J. HAIGH	Heckmondwike Boot and Shoe Works.
Mr. H. FRANCE.....	Huthwaite Hosiery Factory.
Mr. J. E. GREEN	(Irlam Soap, Candle, Lard, and Starch Works.
	Silvertown Soap Works.
Mr. H. WHALLEY	(Dunston Soap Works.
	Keighley Ironworks.
Mr. A. W. SAUNDERS.....	Leeds Brush and Mat Factory.
Mr. T. UTTLEY	Leeds Clothing Factory.
Mr. J. HAIGH	Leeds Boot Factory.
Mr. T. E. HUBBARD.....	Leicester Boot and Shoe Works.
Mr. W. H. GREENWOOD	Littleboro' Flannel Factory.
Mr. G. BREARLEY	(Manchester Printing, Bookbinding, Box- making, and Lithographic Works.
	Pelaw Printing Works.
Mr. J. C. CRAGG	(Leicester Printing and Boxmaking Works.
	Manchester Tobacco, Cigar, Cigarette, and Snuff Factory.
Mr. W. H. SLAWSON	Manchester (Trafford Park) Provender Mill.
Mr. W. MATTHEWS	(Manchester (Trafford Park) Sun Flour Mill.
	Oldham Star Flour Mill.
Mr. W. J. HOWARD	Middleton Preserve, Candied Peel, and Pickle Works and Vinegar Brewery.
Mr. R. A. WALLIS	Pelaw Drug and Sundries Works.
Mr. W. KERSHAW	Pelaw Cabinet Works and Cartwrighting.
Mr. W. FLETCHER	Pelaw Engineering Works.
Mr. J. THOMPSON	Pelaw Tailoring and Kersey Factories.
Mr. T. TOWNS.....	Pelaw Shirt and Underclothing Factory.
Mr. J. T. ROSTERN.....	Radcliffe Weaving Shed.
Mr. G. BENTLEY	Rochdale Paint, Varnish, and Colour Works.
Mr. L. TYSOE	Rushden Boot and Shoe Works.
Mr. G. V. CHAPMAN	Silvertown Flour Mill.
Mr. R. A. WALLIS	Silvertown Packing Factory.
Mr. L. MEGGITT	Sydney (Australia) Tallow and Oil Works.
Mr. W. HOLLAND	West Hartlepool Lard Factory.
Mr. G. BRYANT	London Clothing Factory.

Continuous Long-Service Roll.

LIST OF AND POSITIONS HELD BY EMPLOYEES WHO WERE WITH THE C.W.S.
IN THE YEAR OF THE "COMING OF AGE," 1884, AND WERE STILL IN THE
SERVICE OF THE SOCIETY ON JUNE 1ST, 1913.

MANCHESTER AND GENERAL.

1872 ...	Mr. T. BRODRICK	(June)	Secretary.
" ...	" E. FOSTER	(April)	General Office.
" ...	" T. GOODWIN	(Dec.)	Bank Manager.
" ...	" J. KAY	(May)	Bank.
" ...	" L. WILSON	(May)	Grocery Buyer.
1873 ...	G. BARLASS		Grocery Traveller.
" ...	" W. H. EGERTON		Secretary's Office.
" ...	" A. GREATOREX		Leicester Boot and Shoe Works.
" ...	" J. D. HAIGH		General Office.
" ...	" J. HOLDEN		Grocery Buyer.
" ...	" T. HOWARTH		Grocery Warehouse.
" ...	" R. W. MATHERS.....		Leicester Boot and Shoe Works.
" ...	" W. MEAD.....		Crumpsall Works.
" ...	" H. RAMSBOTTOM		Grocery Warehouse.
" ...	" H. SMITH		Leicester Boot and Shoe Works.
" ...	" W. STANLEY		Leicester Boot and Shoe Works.
" ...	" W. H. WOODS		General Office.
1874 ...	" H. BIRKS		Leicester Boot and Shoe Works.
" ...	" J. GLEDHILL		Buyer, New York.
" ...	" W. LEESON		Leicester Boot and Shoe Works.
" ...	" E. THOMPSON		Leicester Boot and Shoe Works.
" ...	" J. TURNBULL		Buyer, Cork.
1875 ...	" J. E. ALLEN		Insurance Department.
" ...	" J. W. BOWDEN.....		General Office.
" ...	" R. CLARKE		General Office.
" ...	" W. DYSON.....		Grocery Warehouse.
" ...	" J. KNOWLES		Grocery Buyer's Assistant.
" ...	" J. MASTIN		Grocery Buyer.
" ...	Mrs. TURNER		Leicester Boot and Shoe Works.
" ...	Mr. H. YATES		Secretary's Office.
1876 ...	" T. R. ALLEN.....		Furniture Buyer.
" ...	" W. ASHWORTH		General Office.
" ...	" W. BROOKS.....		Boot and Shoe Department.
" ...	" J. H. HAYWARD		Drapery Department.

Continuous Long-Service Roll.

MANCHESTER AND GENERAL—*continued.*

1876 ...	Mr. R. HOWARTH	Boot and Shoe Department.
" ...	" W. HURT	Grocery Saleroom.
" ...	" H. JACKSON	Boot and Shoe Buyer.
" ...	" W. O'BRIEN	Secretary's Office.
" ...	" T. STOTT	Bank.
" ...	" G. TOMLINSON	Drapery Buyer.
" ...	" T. WILKINSON	General Office.
1877 ...	" J. CAULFIELD	Cork Depôt.
" ...	" W. COOPER	Leicester Boot and Shoe Works.
" ...	" W. T. JACKSON	General Office.
" ...	" A. W. LOBB	Grocery Buyer.
" ...	" W. MELLOR	General Office.
" ...	" J. TEAHAN	Tralee Depôt.
1878 ...	" A. ANDREWS	Grocery Buyer's Assistant.
" ...	" T. ASHCROFT	General Office.
" ...	" C. BATES	Leicester Boot and Shoe Works.
" ...	" A. DAVIES	Grocery Traveller.
" ...	Miss F. HAYES	Crumpsall Works.
" ...	Mr. J. JONES	General Office.
" ...	" A. MAXWELL	Crumpsall Works.
" ...	" E. REDFEARN	Drapery Packing Room.
1879 ...	" J. BOWDEN	Drapery Buyer.
" ...	" J. DAVIES	Drapery Packing Department.
" ...	" W. FENTON	Coal Traveller.
" ...	" W. GARLICK	Furniture Buyer's Assistant.
" ...	" A. HULME	Crumpsall Works.
" ...	" W. KAYTON	Drapery Office.
" ...	" P. MARNANE	Grocery Warehouse.
" ...	" J. W. WIGGINS	Grocery Warehouse.
1880 ...	" D. ANDREWS	Furniture Department.
" ...	" R. BARLASS	Grocery Warehouse.
" ...	" G. FANCOURT	Shipping Office.
" ...	" G. HEATHCOTE	Enderby Boot and Shoe Works.
" ...	" M. H. KENYON	General Office.
" ...	" S. KITCHINGMAN	Heckmondwike Boot and Shoe Works.
" ...	" C. W. LEACH	Grocery Warehouse.
" ...	" C. RAYNER	Heckmondwike Boot and Shoe Works.
" ...	" T. T. SMITH	Tobacco Factory.
" ...	" A. M. TRUESDALE	General Office.
" ...	" J. G. WATSON	Shipping Department, Garston.
1881 ...	" J. T. BOOTH	General Office.
" ...	" J. T. CHADWICK	General Office.
" ...	" C. DORAN	Boot and Shoe Department.
" ...	" W. H. FROST	Grocery Warehouse.
" ...	" W. HOLDEN	General Office.

¹ Also 1870 to 1874, and employed in the interval to some extent in C.W.S. interests.

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MANCHESTER AND GENERAL—*continued.*

1881	...	Mr. J. JACKSON	Grocery Warehouse.
"	...	" W. L. KEWLEY	Buyer, Liverpool Dépôt.
"	...	" R. LOMAS	Grocery Warehouse.
"	...	" H. T. W. MADSEN	Buyer, Aarhus Dépôt.
"	...	" J. NEILLANS	Grocery Warehouse
"	...	" M. QUIGLEY.....	Buyer, Armagh Dépôt.
"	...	" H. H. RALPHS	General Office.
"	...	" W. SHIMMIN	Liverpool Warehouse.
"	...	" J. SMITH	General Office.
"	...	" F. STACEY	Leicester Boot and Shoe Works.
"	...	" G. H. STANSFIELD	General Office.
"	...	" J. TAYLOR.....	Grocery Salesman.
"	...	" W. H. TETLOW.....	Grocery Warehouse.
"	...	" R. WOODS	Audit Department.
1882	...	J. ASTBURY.....	Furniture Department.
"	...	" W. E. BUTTERWORTH	Drapery Department.
"	...	" F. COCKER	Furniture Department.
"	...	" J. T. HOLBROOK.....	Liverpool Dépôt.
"	...	Mrs. HOWKINS	Leicester Boot and Shoe Works.
"	...	Mr. J. LANGTON	Leicester Boot and Shoe Works.
"	...	" E. LEES	Drapery Buyer.
"	...	" H. LIDSTER	Boot and Shoe Department.
"	...	" J. O'BRIEN	Traveller, Huddersfield Saleroom.
"	...	" J. OGDEN	Drapery Department.
"	...	" W. H. PLATTEN	General Office.
"	...	" H. TOMKINSON	Bank.
"	...	" P. J. TURNER	Drapery Packing Department.
"	...	" W. WALKER	Furniture Department.
"	...	" W. WARBURTON	Grocery Warehouse.
"	...	" J. W. WOODS	Grocery Warehouse.
1883	...	Miss J. ANDREWS	Furniture Department.
"	...	Mr. W. BENTLEY	Drapery Department.
"	...	" C. BOTTOMLEY	General Office.
"	...	" W. A. HAMPSON	Drapery Department.
"	...	" W. HAMPSON	General Office.
"	...	" A. LOWE.....	General Office.
"	...	" W. LUMB	General Office.
"	...	" W. J. PIER	Denia Dépôt.
"	...	" F. POYNTON	Assistant Manager, Leicester Boot and Shoe Works.
"	...	" E. W. RAPER.....	Goole Office.
"	...	" W. RAY	Grocery Warehouse.
1884	...	A. J. AUSTIN	Longsight Works.
"	...	" T. BARLASS.....	Grocery Warehouse.
"	...	" W. BOYES	Building Department.
"	...	" T. COLLINGE	Furniture Department.
"	...	" G. FLETCHER	Drapery Department.
"	...	" J. HOLLINGWORTH.....	Woollens Department.

Continuous Long-Service Roll.

MANCHESTER AND GENERAL—*continued.*

1884 ...	Mr. T. E. HUBBARD.....	Manager, Leicester Boot and Shoe Works.
.. ..	F. ISHERWOOD	Drapery Department.
.. ..	R. JACKSON	Boot and Shoe Traveller.
.. ..	W. MARQUIS	Manager, Rouen Dépôt.
.. ..	F. MC.ALLISTER	Grocery Warehouse.
.. ..	J. MILLS	Grocery Buyer's Assistant.
.. ..	R. MORRELL	Grocery Traveller.
.. ..	B. RAWLINSON	Grocery Warehouse.
.. ..	W. ROBINSON.....	Trafford Bacon Factory.
.. ..	A. SHAW	General Office.
.. ..	J. SOUTHALL	Trafford Bacon Factory.
.. ..	R. TURNER	Tea, Coffee, and Cocoa Buyer.
.. ..	G. WARREN.....	Grocery Traveller.
.. ..	T. WARREN	Leicester Boot and Shoe Works.
.. ..	A. C. WIELAND	Buyer, Montreal Dépôt.
.. ..	H. WIGGINS	Buyer, Paper and Twine Dept.

NEWCASTLE DISTRICT.

1873 ...	Mr. G. B. KAYE	(Sept.) General Office.
.. ..	J. LAWTON	(June) Grocery Buyer's Assistant.
.. ..	T. WEATHERSON	(July) Grocery Buyer.
1874 ...	J. B. APPLEBY	Dunston Mill.
.. ..	H. R. BAILEY	Chief Clerk.
.. ..	R. DOUGLAS	Grocery Warehouse.
.. ..	O. JACKSON.....	Boot and Shoe Buyer.
1875 ...	H. PEARSON	Bank.
1876 ...	W. E. RICHARDSON	General Office.
.. ..	W. TATE.....	Drapery Traveller.
1877 ...	J. GILLESPIE.....	Boot and Shoe Traveller.
.. ..	J. HARRISON	Grocery Warehouse.
1878 ...	R. CURSON	Bank.
1879 ...	T. BROWN	Grocery Warehouse.
.. ..	I. FAWCETT	Traffic Department.
.. ..	E. S. PROCTER	General Office.
1881 ...	J. CROWE	General Office.
.. ..	R. WILKINSON	Grocery Buyer.
1882 ...	W. G. BAKER	Furnishing Office.
.. ..	J. CALDER	General Office.
.. ..	J. G. HEADS	Furniture Buyer's Assistant.
.. ..	J. THOMPSON	General Office.
1883 ...	J. FERGUSON	Grocery Warehouse.
.. ..	J. FORSTER	Traffic Department.
1884 ...	M. WATSON	Boot and Shoe Buyer's Assistant.

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LONDON DISTRICT.

1872 ...	Mr. W. OPENSHAW	(April) Grocery Buyer.
1873 ...	" F. G. WADDINGTON	Drapery Buyer.
1874 ...	" J. MC.GRATH	Grocery Warehouse.
1876 ...	" C. CUNNINGHAM	Grocery Traveller.
1879 ...	" W. E. S. COCK	Chief Clerk.
1880 ...	" W. SWAIN	Grocery Buyer.
1881 ...	" T. B. BUTTERWORTH.....	Audit Department.
" ...	" F. LING	Furniture Buyer.
1882 ...	" G. BOWRING	Joint Tea Department.
" ...	" G. THOMAS	" Tea Department.
1883 ...	" W. CHAPMAN	" Tea Department.
" ...	" G. CLINTON.....	" Tea Department.
" ...	" P. CLINTON	" Tea Department.
" ...	" W. T. DAWES	Grocery Warehouse, Bristol Depôt.
" ...	" W. HUMPHREY	General Office.
" ...	" J. W. JUSTHAM	Grocery Buyer, Bristol Depôt.
" ...	" W. MAIDMAN	Joint Tea Department.
" ...	" G. PAY.....	" Coffee Works.
" ...	" J. RAY	Boot and Shoe Department.
" ...	" J. WITHAM	Joint Tea Department.
1884 ...	" A. BAKER.....	Grocery Buyer, Northampton Depôt.
" ...	" C. BAKER	Joint Tea Department.
" ...	" J. BUNNEY.....	" Tea Department.
" ...	" J. BUSTIN	Drapery Department.
" ...	" T. H. GOODING	Boot and Shoe Traveller.
" ...	" A. E. HOWES	Boot and Shoe Traveller.
" ...	" J. F. JAMES	Grocery Buyer, Cardiff Depôt.
" ...	" W. LEVERICK	Clothing Department.
" ...	" H. PASKER	Joint Tea Department.
" ...	" A. E. PHILLIPS	General Office.
" ...	" F. ROCKELL	General Office.
" ...	" T. SEYMOUR	Grocery Warehouse, London.
" ...	" J. WHITE.....	Chief Clerk, Bristol.

First Plans for the C.W.S.

I.—THE PLAN OF 1851 FOR A WHOLESALE SOCIETY.

In 1877 the *Co-operative News* published the following correspondence, embodying the plan for a C.W.S. drawn up by Lloyd Jones in 1851, and comments upon it by the correspondent who sent it, and by Mr. Lloyd Jones himself.

The correspondent, Mr. R. Newton, wrote as follows:—

"SIR,—In Mr. Holyoake's interesting history of Rochdale from 1857 to 1877, in your issue of April 28th, the following passage occurs:—'Smithies used to have himself a plan of a wholesale agency in his own handwriting. It is many years since I saw it; and I forget in what respect it differed from Mr. Greenwood's more matured plan. It will turn up some day with a theory that Smithies had borrowed it from some two-syllabled quarter, just as it has been declared that Mr. Greenwood derived his scheme from Jumbo.'

"Some two years since, in a conversation with Mr. Lloyd Jones concerning a visit Mr. Smithies once made to our association, Mr. Jones told me he had only a few days before found a paper Mr. Smithies gave him shortly before his (Smithies') death. As I was curious the paper was shown me, and the quotation I have given recalled to my mind the circumstance. Thinking possibly it might be the one Mr. Holyoake alluded to, I have asked for and obtained a copy, which I enclose, with the idea that many of your readers would be interested in perusing it.

"Yours truly,

"April 30th, 1877."

"R. NEWTON."

[COPY OF PROSPECTUS.]

The rapid development of the co-operative business renders it necessary that another and an important step should be taken by those who wish to see association efficient and permanent.

So far, the co-operative stores secure their subscribers from the frauds of adulteration and overcharge of the retail dealers, and divide among their members those profits which previously went to the shopkeepers.

Much as this is, and many as are the advantages arising from co-operation, pecuniary and otherwise, still they are but an instalment of the good which it can produce amongst the people when they pursue it in an earnest, steady, and business-like manner. Experience must have proved to the managers of all co-operative establishments that there is much loss attending the want of power to go largely into the wholesale markets. It keeps the co-operative store almost on a level with the ordinary competitive shop. Whereas, a further development of the co-operative business such as that proposed would

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give the individual stores, the small ones as well as the large, all the advantages to be derived from the extensive and honest dealings of a wholesale co-operative depôt.

For the purpose, therefore, of establishing this depôt, it is proposed to raise a capital of £3,000 in 600 shares of £5 each, such shares to be taken in the first instance by the managing committee of the various stores, and next by all such individuals as may be favourable to the scheme proposed.

Five shillings deposit to be paid upon each share when taken, and the remainder to be called for in five instalments of not more than £1 each, at any one time, one month at least intervening between each call.

The profits, after defraying all necessary expenses of management, to be divided as follows:—Interest at the rate of 5 per cent per annum on all paid-up shares; one-fourth of the remainder to go to form a reserve fund until it equals the capital invested; one-fourth for the establishment of working-men's associations in connection with the co-operative movement; the other two-fourths to be divided among the various stores in proportion to the amount of business they may do with the central depôt.

As the chief part of the co-operative business is carried on in the towns of Lancashire and Yorkshire, it is proposed that Manchester be the seat of the depôt, and the first expenses of carrying it on may be estimated as under:—

Take 50 stores, each expending at the depôt weekly £30, which will be for the year £78,000, at $\frac{1}{2}$ per cent profit, will be (less expenses) £1,170 to divide.

EXPENSES.		£
Manager, per annum	200	
Bookkeeper	100	
Three Men-servants	156	
Maintenance of Horse	50	
Rent and Taxes	50	
Value of Fixings, £150; Horse and Cart, £60—Depreciation in value, $12\frac{1}{2}$ per cent	26	
Incidental Expenses	40	
Interest on Capital	150	
Total	772	
	£1170	
Less Expenses.....	772	
Profit to Divide.....	£398	

Drawn up by Mr. Lloyd Jones and written by Mr. James Smithies in 1852.

[NOTE BY MR. LLOYD JONES.]

The foregoing appeared on May 12th, 1877. In the issue for June 2nd a letter from Mr. Lloyd Jones was printed, touching upon the prospectus in the following passage:—

“And now let me deal with the history in its minuteness. Any person who turns to Vol. 2 of the *Christian Socialist*, page 9, published July 5th, 1851, will see, under date of Manchester, June 20th, that a co-operative conference of delegates, forty in number, from the Yorkshire and Lancashire stores, was

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held in the Mechanics' Institution, Cooper Street, at ten o'clock of the morning of the 13th. They will see also that, after much discussion, the following two resolutions, with others, were unanimously carried:—(1) That Messrs. Lloyd Jones (of London), William Bell (of Heywood), James Campbell (of Manchester), and James Smithies (of Rochdale) form a committee, and draw up plans and rules for guiding the co-operative movement of England. (2) That the committee send a printed prospectus to all the co-operative stores, workshops, and private individuals by the 1st of July next, calling upon them to take up shares for the purpose of establishing a general dépôt in Manchester, for supplying the stores with groceries and provisions.' There were five other resolutions, but these two only bear directly on this question.

"It was in consequence of my appointment by the first resolution that I drew up the document, and I am prepared to say that when Mr. Smithies put the copy in his writing into my hands, having written on it the words 'Drawn up by Mr. Lloyd Jones, and written by Mr. James Smithies, in 1851,' I had forgotten all about it. I may add that the document, as you published it, is dated 1852, but the 2 has a stroke drawn across it as a correction of date."

2.—THE ORIGINAL PAPER BY ABRAHAM GREENWOOD.

[The following paper, as read by Mr. Greenwood at the "Wholesale" Conference of 1862, frequently has been referred to in co-operative writings, although hitherto inaccessible.]

Before proceeding to develop a scheme of a wholesale agency, permit me in the first place to glance at past efforts to accomplish the object we are this day met to discuss, viz., the desirability of aggregating the purchasing power of the co-operative stores, especially in Lancashire, Yorkshire, and adjoining counties.

The first attempt in this direction was made by the Christian Socialists, conspicuous amongst whom were Edward Vansittart Neale, Esq., Rev. F. D. Maurice, Rev. Charles Kingsley, J. M. Ludlow, Thomas Hughes, F. J. Furnivall, Joseph Woodin, and Lloyd Jones, Esquires. I am thus circumstantial in mentioning the names of these gentlemen, that their services in the early stages of the co-operative movement may be acknowledged; they not only wished well to, but aided nobly by their well-known talents, and no less by their pecuniary assistance to, the cause of true co-operation. They instituted the "Central Co-operative Agency" for the purpose of counteracting the system of adulteration and fraud prevailing in trade, and for supplying to co-operative stores a quality of goods that could be relied upon and in the highest state of purity. The agency did not prove a success, but had to be given up, entailing great loss to its promoters. There is still a remnant of the agency left, known by the firm of "Woodin and Co., Sherborne Lane, London."

The second effort was made by the "Equitable Pioneers' Society" in 1852, by initiating a "Wholesale Department." This department was originated for supplying goods to its members in large quantities, and also with a view to supplying the co-operative stores of Lancashire and Yorkshire, whose small capital did not enable them to purchase in the best market, nor command the

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services of what is indispensable to any store, a good buyer, who knew the markets, what, how, and where to buy. The Pioneers' Society invited other stores to co-operate in carrying out practically the idea of a wholesale establishment, offering at the same time to find the necessary amount of capital for carrying on the wholesale business, for which the Pioneers' Society would charge this department at the rate of 5 per cent per annum. A few stores did join, but they never gave that hearty support necessary to make the scheme thoroughly successful. Notwithstanding this counteractive influence, the "Wholesale Department" from the beginning paid interest not only on capital, but dividends to the members trading in this department. Had all concerned in this affair displayed shrewdness and persistence, the practicability of acting in concert in a matter of this kind would ere this have been demonstrated, and placed in the category of co-operative "facts."

However, after a time, the demon of all working-class movements hitherto—jealousy—crept in here. The stores dealing in the wholesale department of the Pioneers' Society thought that it had some advantage over them; while, on the other side, a large number of the members of the Pioneers' Society imagined they were giving privileges to the other stores, which a due regard to their immediate interests did not warrant them in bestowing. My opinion is that, had there been no other causes of failure than those mentioned, the "Central Co-operative Agency" and the "Equitable Pioneers' Wholesale Department" must inevitably have failed, from their efforts being too soon in the order of co-operative development.

Failures have their lessons, and, if read aright, lead on to success. The world seldom or never calculates how much it is indebted to failure for ultimate success. "Failures are with heroic minds the stepping-stones to success." At school our children are taught the lesson, and it is one we should learn in the co-operative school, that—

Once or twice, though we should fail,

Try again !

If we would at last prevail,

Try again !

If we strive 'tis no disgrace

Though we do not win the race,

What should we do in that case ?

Try again !

An eminent philosophical writer has very appositely said with regard to failures, "It is far from being true, in the progress of knowledge, that after every failure we must recommence from the beginning. Every failure is a step to success, every detection of what is false directs to what is true, every trial exhausts some tempting form of error. Not only so, but scarcely any attempt is entirely a failure; scarcely any theory, the result of steady thought, is altogether false; no tempting form of error is without some latent charm derived from truth." How often we hear men who never attempted anything for the good of their fellow-men taunt those who have with the failure of their efforts for the elevation of humanity. If failure does not command our admiration, it is very often entitled to our respect.

I have said that the "Central Co-operative Agency" and the "Pioneers' Wholesale Department" failed from being too soon in the order of co-operative

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development. Let us see if the progress of co-operation now offers ample room for success.

There were in England, when the "Central Co-operative Agency" was established, not more than ten stores, and not more than seventeen when the Rochdale store established its "Wholesale Department." What a contrast—indicative of co-operative progress—these times present with those of ten or twelve years ago! Now there are some hundreds of co-operative stores in the United Kingdom. In the June number of the *Co-operator* of last year there are enumerated upwards of 250 stores. There are in Lancashire, Yorkshire, and Cheshire alone 120 stores, numbering in the aggregate 40,000 members. Twenty-six stores in the counties named did business to the amount of £800,000 in 1861. If we take the average weekly expenditure of the 40,000 members at 10s. each (this will be under the average) it will give an expenditure of £20,000 weekly, or an annual expenditure of £1,040,000.

No doubt from the statistics here given that the field for aggregative efforts has considerably expanded since the failures mentioned in the former part of this paper.

We have succeeded, too, in carrying through Parliament a measure affording facilities for, and sweeping away many legal impediments to, co-operative progress, enabling that to be done by direct sanction of law which had to be done previously by roundabout methods.

I will here place before the conference a calculation of the quantities of commodities of the kind named in the tables required to supply the 40,000 members of the co-operative stores in these Northern districts. The calculations are made on the data of goods actually sold in one quarter at the Rochdale Pioneers' Society. There are 3,500 members belonging to the Rochdale store, and, as the average consumption of groceries, &c., is higher per member than at most stores, I may reasonably take it for granted that the demand at the Pioneers' store will equal one-tenth of the demand of the 40,000 members.

One Quarter's Consumption of Groceries, &c., at the Rochdale Equitable Pioneers' Store.		One Quarter's Consumption of 40,000 Members <i>pro rata.</i>
Coffee	9,000 lb.	90,000 lb.
Tea	7,736 lb.	77,360 lb.
Tobacco	5,363 lb.	53,630 lb.
Snuff	141 lb.	1,410 lb.
Pepper	316 lb.	3,160 lb.
Sugar	1,819 cwt.	18,190 cwt.
Syrup and Treacle	520 cwt.	5,200 cwt.
Currants	140 cwt.	1,400 cwt.
Butter.....	932 cwt.	9,320 cwt.
Soap	440 cwt.	4,400 cwt.

This and the following table pretend not to be strictly correct to fractions, but sufficiently so for the purposes of this paper.

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Now let us calculate, on the basis of the table given, what would be the weekly consumption of those articles named by the 40,000 members; also the weekly and yearly money value of the same.

Kind of Articles.	One Week's Consumption.	Weekly Money Value.	Yearly Money Value.
		£	£
Coffee	6,923 lb.	266	13,832
Tea	5,951 lb.	991	51,532
Tobacco	4,125 lb.	825	42,900
Snuff	108 lb.	22	1,144
Pepper	243 lb.	15	780
Sugar	1,400 cwt.	3,500	182,000
Syrup, &c.....	400 cwt.	350	18,200
Currants	107 cwt.	160	8,320
Butter	717 cwt.	3,440	178,880
Soap.....	338 cwt.	524	27,248
TOTALS .....	.....	10,093	524,836

I have taken the prices paid by the Rochdale store, and adjusted them to something like an average.

There are mentioned in the tables several articles, any of which would of itself be sufficient to make an agency profitable. The agency might at the beginning supply those articles only which there was a sure profit upon. It will be seen from the statistics given that the present state of our movement will permit, and in fact warrants, a further step being taken in co-operative progress. The problem for solution is to hit upon a plan which shall suit the present spirit and intelligence of the great body of co-operators.

Gentlemen, I submit to your criticism a plan which, I think, will meet the requirements of our purpose.

PLAN.

The plan I propose is this: That an office be taken either at Liverpool or Manchester, as may be thought best suitable for the purpose. All stores joining the agency will be required to act promptly in giving orders, and making remittances for goods to be bought on their account. Orders sent to the agency will be aggregated; the purchaser will then go to the markets, and there buy the quantity and quality of those kind of articles required to supply the demand upon the agency. The purchaser, having bought, will give either printed or written directions to the houses from whom the purchases are made to draft such number of tierces of sugar, puncheons of treacle, boxes of soap, boxes of candles, barrels of currants, and firkins of butter, &c., to the different stores on whose account they have been bought. On the plan of an agency there will be little, if any, warehouse room required, and that little will be necessitated by very small stores not being able to purchase in bulk. Otherwise an office would amply suffice for the purposes of the

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agency. By far the greater portion of the goods bought will at once be sent on to the stores ordering them, and, where there is plenty of room for warehousing, any quantity of goods they need kept in stock.

Each store will be left to determine for itself when and to what amount of commodities it is proper to purchase at any time. Many stores have already acquired the knowledge of "when to buy," and those stores that had not so learned it will be one of the duties of the agency to keep them well advised upon that matter. If a store thought proper to speculate in any article supplied through the agency, it will do so at its own risk. Whereas if the wholesale affair be made a trading concern it will necessitate ultimately the centralisation of some £50,000 sterling, with all the liabilities and contingencies of a trading establishment. On the other hand an agency will secure all the advantages expected to accrue from the "Wholesale Dépôt" without any of its risks.

I wish to advert to an instance where, to some extent, the plan here propounded is carried out. There is the Rochdale Pioneers' Society with its nine grocery branches, all supplied and managed by the central store in Toad Lane. The transactions of the Rochdale store with its branches are done in this way: the head shopman at each branch store makes out a list of requirements for his branch on a form provided for the purpose, and sends it to the central place of business; then the manager gives directions to the railway or canal companies where the goods are lying to send such and such quantities of articles specified to such and such branch store named on the delivery order.

Now the central store stands in the same relation to its branches as an agency would to the stores joining it. It will be almost as easy to manage an agency as it is to carry on the concern named. The mode will be very similar, but the time in getting goods through the agency will be a trifle longer, and the transactions very much larger, but only requiring the same amount of labour to work the agency as it does to work the Rochdale store with its branches.

We have another case in point, in the Rochdale Corn Mill Society, of the beneficial working of a wholesale establishment. There are 60 co-operative stores belonging to the corn mill, from which they take wholly or in part the flour required for supplying their members. This co-operative arrangement permits the business of corn grinding to be much more economically and profitably done than any single store could of itself accomplish. The absurdity would be no greater if each of the 60 stores on its individual account purchased grain to manufacture into flour, as if each store was to buy groceries singly. In the case of the corn mill we have exemplified the strength and benefit of concerted operations; in the case of the stores acting singly we have weakness. Isolation is the opposite of real co-operation, which is the combining, consulting, and so acting together of good and true men as to bring about those ameliorative conditions which shall lead to self-elevation by promoting the welfare of humanity, and a state "in which the good of the whole is tantamount to the highest kind of good for each."

It is indispensable to the well-working of any scheme, especially a co-operative one, that those who wish to be concerned should thoroughly understand the conditions upon which it is based, and their obligations relative thereto. A proper comprehension of the conditions and obligations at the commencement of this wholesale affair will obviate, in great degree,

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bickerings, ill-will, and regrets which often arise from want of a clear perception of the stipulations on which an undertaking is founded. People who conceive of an object different from what it really is, imagine themselves deceived, when the deception is not in the thing itself, but in their having conceived of the thing erroneously.

I respectfully submit to the conference a few stipulations on which an agency should be based.

COLLIGATING CONDITIONS.

1. That the good policy of dealing with and for ready money be strictly adhered to in all transactions of the agency.

I need not dwell on the necessity of this. It is one of the fundamental conditions of our success hitherto. One of the leading objects of co-operation is to redeem the working classes from that state of indebtedness which has too long held them in a condition of slavishness.

2. That none but co-operative stores should be allowed to join the agency.

I do not like for my part that co-operation be made a means of supporting the old system of shopkeeping. The sooner we can get the labouring classes out of their ancient mode of credit dealing, the better for themselves in many ways. I have known shopkeepers take, and, in fact, are now taking, advantage of our co-operative arrangements for enabling them to maintain their position longer than they would otherwise be able to do against a better system. All co-operative efforts should tend exclusively for the promotion of genuine co-operation. In saying this much allow me to disclaim any bad feeling towards the shopkeeping class. They have done the State some service, and my wish is that they may see the wisdom and propriety of transferring their small capitals to other investments, such as manufacturing companies, where they will command good interest, before their occupation is gone.

3. That each store joining the agency should pledge itself to deal exclusively with the agency in those articles which it supplies.

An agency cannot be carried on with thorough success if stores are allowed to go and come to the agency when they think proper. That would be liberty incompatible with and jeopardise the existence of the agency. Kant has laid down a rule with regard to personal conduct which applies no less to societies of men: "So act that the rule on which thou actest would admit of being adopted by all rational beings." All who join the agency must be prepared, if need be, to make some sacrifice; and not, because the thing does not succeed at once, back out of it. The Rochdale Pioneers' Society and the Brickfield store, near Rochdale, at the commencement of the Corn Mill Society, passed resolutions to purchase flour from no other place, or otherwise the corn mill would have gone down. In those two instances the obligation of dealing with a concern (their own) that it might be a success was perfectly understood.

4. That a small percentage be charged to each store as commission on the amount of business done through the agency.

Stores would be supplied through the agency at the cost price of an article, plus the small commission to cover the expenses of the agency. The purpose

First Plans for the C.W.S.

in this is to keep the transactions of the agency as simple as it will permit. It strikes me very forcibly that making profits in connection with a wholesale affair is a superfluous piece of work. It would be absurd to put profits on goods bought merely to divide them by way of dividend.

It will be wholesome to leave as much local action to the stores as possible, and to have as little as possible of centralisation. Hence I would not presume in this respect to put stores in a state of pupillage by doing that for them which they are capable of doing for themselves, viz., to make members of co-operative societies, almost in spite of themselves, accumulate capital. This is a function that properly belongs to each individual store, and not to a wholesale concern.

5. The necessary amount of capital for carrying on the agency shall be raised *pro rata* on the number of members belonging to the stores joining the agency.

The amount of capital per member shall be determined, in a measure, by the number of co-operative stores that may join the agency. Say that in good times there will be fully 40,000 members of co-operative stores in the counties previously named, at 2s. 6d. each member, these will give a total capital of £5,000. This sum will be ample for carrying on an agency.

6. That the stores pay their own carriage.

Each store now pays the carriage of goods from the places where they are purchased, and the stores should bear a like relation to the agency as they do to the markets where they now purchase, thus keeping the business of the agency free from transit charges.

What are the benefits we may legitimately expect from a wholesale agency ?

1. Stores will be enabled through the agency to purchase more economically than heretofore by reaching the best markets.
2. Small stores and new stores are at once put in a good position by being placed directly (through the agency) in the best markets, thus enabling them to sell as cheap as any first-class shopkeeper.
3. As all stores will have the benefit of the best markets by means of the agency, it follows that dividends paid by the stores must be more equal than heretofore, and by the same means dividends will be considerably augmented.
4. Stores, especially large ones, will be able to carry on their business with less capital. Large stores will not, as now, be necessitated, in order to reach the minimum prices of the markets, to purchase goods they do not require for the immediate supply of their members.
5. Stores will be able to command the services of a good buyer, and will thus save a large amount of labour and expense by one purchaser buying for perhaps some 150 stores, while the great amount of blundering in purchasing at the commencement of a co-operative store will be obviated.

The Cost of Food

A COMPARISON OF THE PRICES

From C.W.S.

YEAR.	BACON per lb.	BUTTER per lb.	CHEESE per lb.	FLOUR per lb.	LARD per lb.
	d.	d.	d.	d.	d.
1882	7.16	15.52	6.47	1.75	6.47
1883	6.78	14.88	6.71	1.64	5.62
1884	6.01	14.34	6.71	1.45	4.66
1885	5.09	13.37	5.43	1.26	3.89
1886	5.06	12.58	5.39	1.12	3.78
1887	5.41	12.60	6.40	1.13	4.20
1888	5.60	12.34	5.74	1.17	5.03
1889	5.46	12.95	5.53	1.29	4.21
1890	5.03	12.38	5.39	1.19	3.89
1891	5.11	12.86	5.64	1.32	3.87
1892	5.84	13.21	5.80	1.18	4.39
1893	6.69	12.74	5.87	1.00	5.79
1894	5.34	11.61	5.70	0.85	4.41
1895	4.85	11.19	5.02	0.90	3.75
1896	4.37	11.58	5.09	1.00	2.89
1897	4.89	11.47	5.58	1.20	2.68
1898	4.96	11.35	5.24	1.39	3.24
1899	4.75	12.19	5.85	1.01	3.22
1900	5.74	12.21	6.10	1.04	4.02
1901	6.14	12.45	5.49	1.02	4.83
1902	6.55	12.20	5.92	1.09	5.80
1903	6.31	11.97	6.45	1.08	4.84
1904	5.53	11.81	5.37	1.13	4.00
1905	6.08	12.32	6.09	1.12	4.04
1906	6.64	12.82	6.55	1.09	4.89
1907	6.56	12.39	6.79	1.15	5.00
1908	6.15	13.08	6.68	1.29	4.99
1909	7.24	12.73	6.73	1.37	6.32
1910	8.19	12.87	6.56	1.23	6.83
1911	6.87	13.40	7.11	1.16	5.01
1912	7.21	13.95	7.47	1.24	5.77

NOTE.—Prices making up above figures are wholesale and mostly at port, and are only for relative comparison.

during Thirty Years.

OF PRINCIPAL ARTICLES.

Official Records.

OATMEAL per lb.	SUGAR per lb.	TEA per lb.	Cost of Average Weekly Family Order of 21½lbs.	Purchasing Power of £1 Sterling on same basis.	YEAR.
d.	d.	d.	d.	lb.	
1.43	3.11	21.55	90.32	57.13	..... 1882
1.54	2.96	21.55	86.54	59.62	..... 1883
1.44	2.37	21.02	79.20	65.15	..... 1884
1.40	2.13	20.46	72.16	71.51	..... 1885
1.29	1.95	19.84	67.25	76.73	..... 1886
1.13	1.83	19.71	67.77	76.14	..... 1887
1.12	2.05	19.57	70.81	72.87	..... 1888
1.24	2.36	19.26	72.01	71.66	..... 1889
1.20	1.90	17.72	66.37	77.75	..... 1890
1.36	1.94	17.42	69.26	74.65	..... 1891
1.37	2.00	17.44	69.61	74.13	..... 1892
1.25	2.20	17.28	68.69	75.12	..... 1893
1.12	1.80	17.00	60.63	85.11	..... 1894
1.10	1.61	16.87	58.38	88.39	..... 1895
1.03	1.66	16.60	59.48	86.75	..... 1896
1.12	1.45	16.37	61.47	83.94	..... 1897
1.23	1.49	16.17	63.85	80.81	..... 1898
1.09	1.55	15.86	61.00	84.59	..... 1899
1.12	1.60	16.94	63.69	81.02	..... 1900
1.19	1.73	17.26	65.18	79.16	..... 1901
1.73	1.61	16.89	66.50	77.60	..... 1902
1.20	1.75	16.63	65.37	78.94	..... 1903
1.19	1.97	17.87	65.39	78.91	..... 1904
1.17	2.17	16.98	67.56	76.37	..... 1905
1.18	1.83	15.42	67.28	76.69	..... 1906
1.34	1.92	15.54	67.82	76.09	..... 1907
1.33	1.86	15.65	70.21	73.49	..... 1908
1.29	1.82	15.13	71.79	71.88	..... 1909
1.16	2.03	15.45	72.38	71.29	..... 1910
1.25	2.05	15.81	71.00	72.67	..... 1911
1.44	2.08	15.85	74.28	69.46	..... 1912

Average Weekly Family Order is computed at: 1lb. Bacon, 2lbs. Butter, ½lb. Cheese, 12lbs. Flour, ¼lb. Lard, 1lb. Meal, 4lbs. Sugar, and ¼lb. Tea; Total, 21½lbs.

NOTE ON THE DIAGRAMS FOLLOWING.

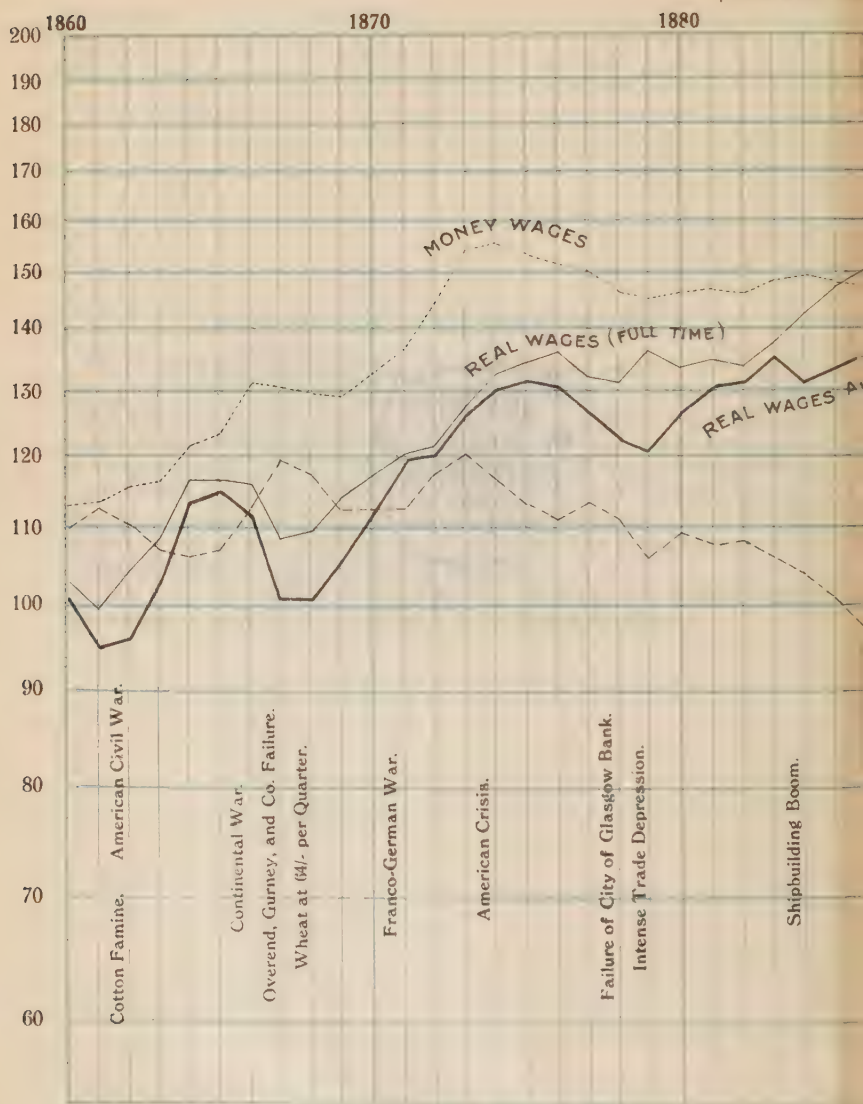
The following diagrams are for comparative purposes only, index-numbers taking the place of absolute figures. They are drawn on a logarithmic scale, which differs from the more familiar simple form. In the latter, the distances from 1 to 2, or 2 to 4 respectively, equal those of from 4 to 5 and from 5 to 7, although the ratio of advance is much greater in the first and second than in the third and fourth cases. The logarithmic scale avoids this false representation, keeping the space from 100 and 200, for example, equal to that from 80 to 160, or 40 to 80; while the space, say, from 40 to 50 (an advance of one-fourth) equals that from 100 to 125 or 80 to 100.

This form of diagram, being purely of relations, also enables separate movements to be shown on one sheet in their relative significance.



Diagram s
Changes in Average Money Wages, Cost o

(LOGARITHM



ing the ing, & Real Wages, from 1860 to 1912.

(SCALE.)

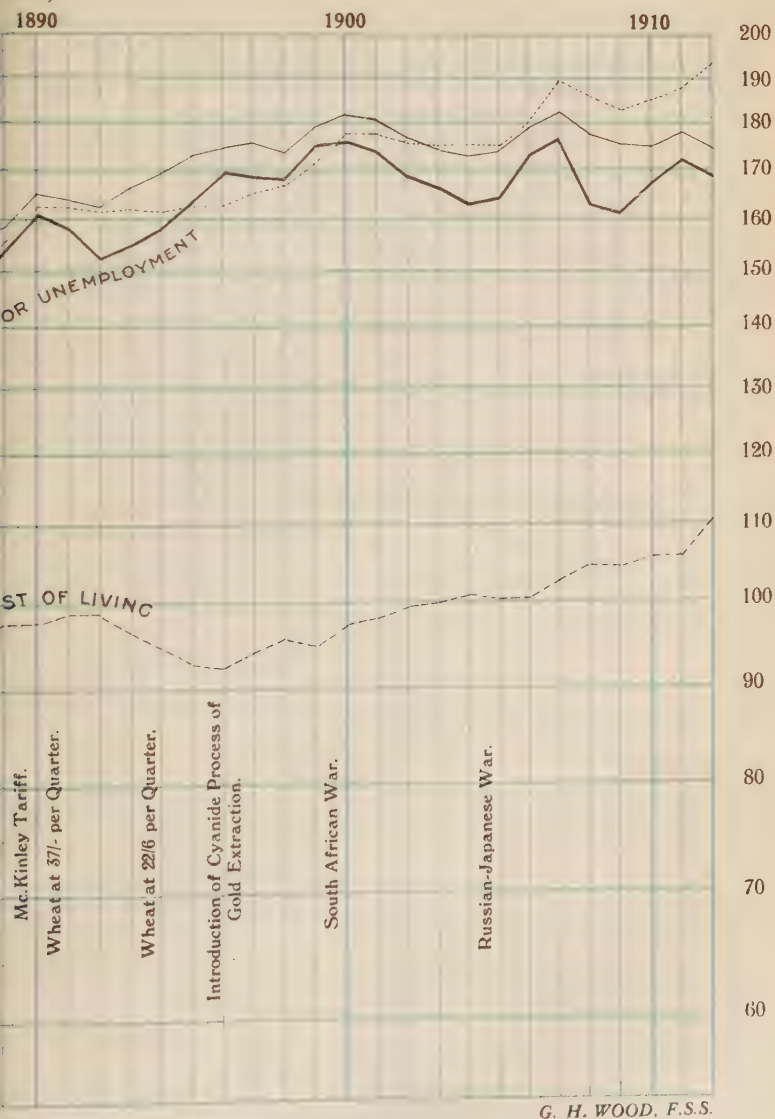
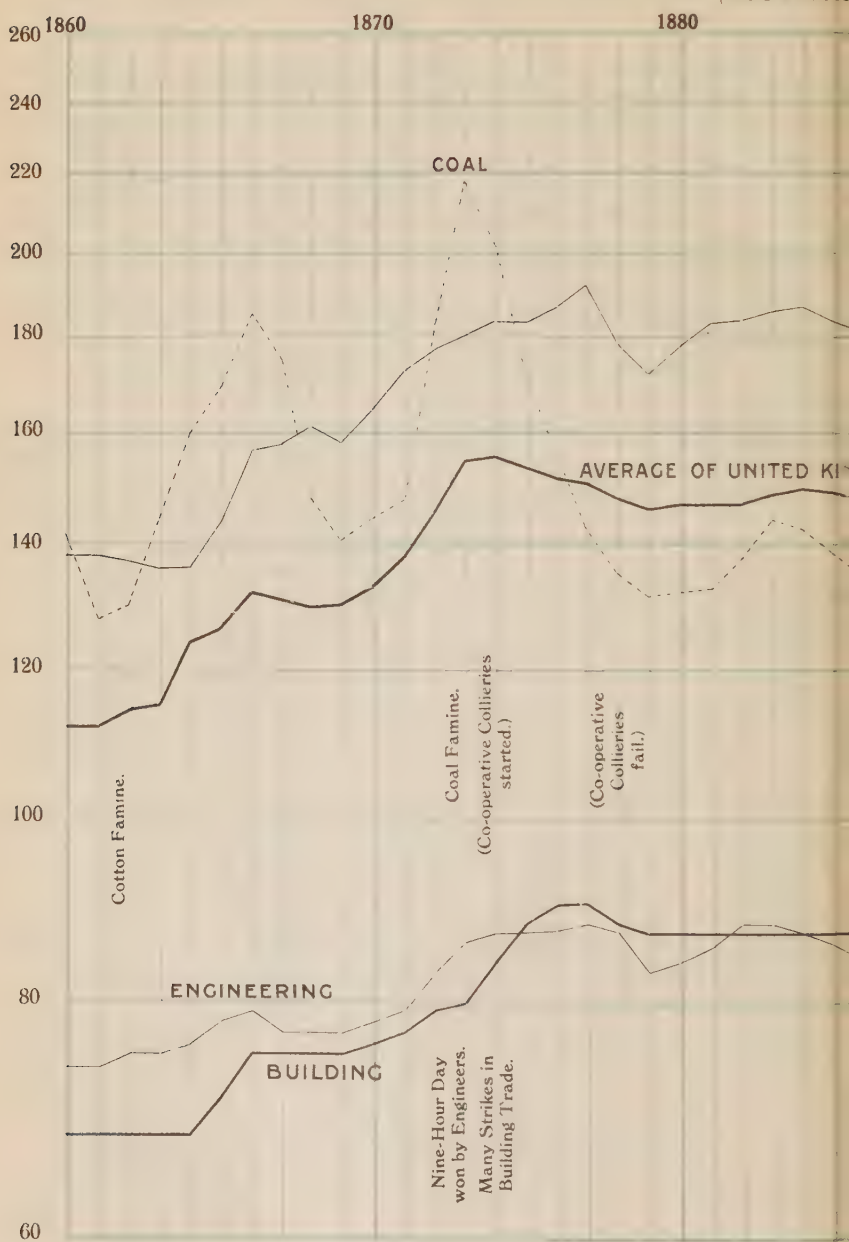


Diagram s Fluctuations in Average Wages in the Cott and of the Average of a

(LOGARITH



ing the Coal, Building, & Engineering Industries, Industries, 1860 to 1912.

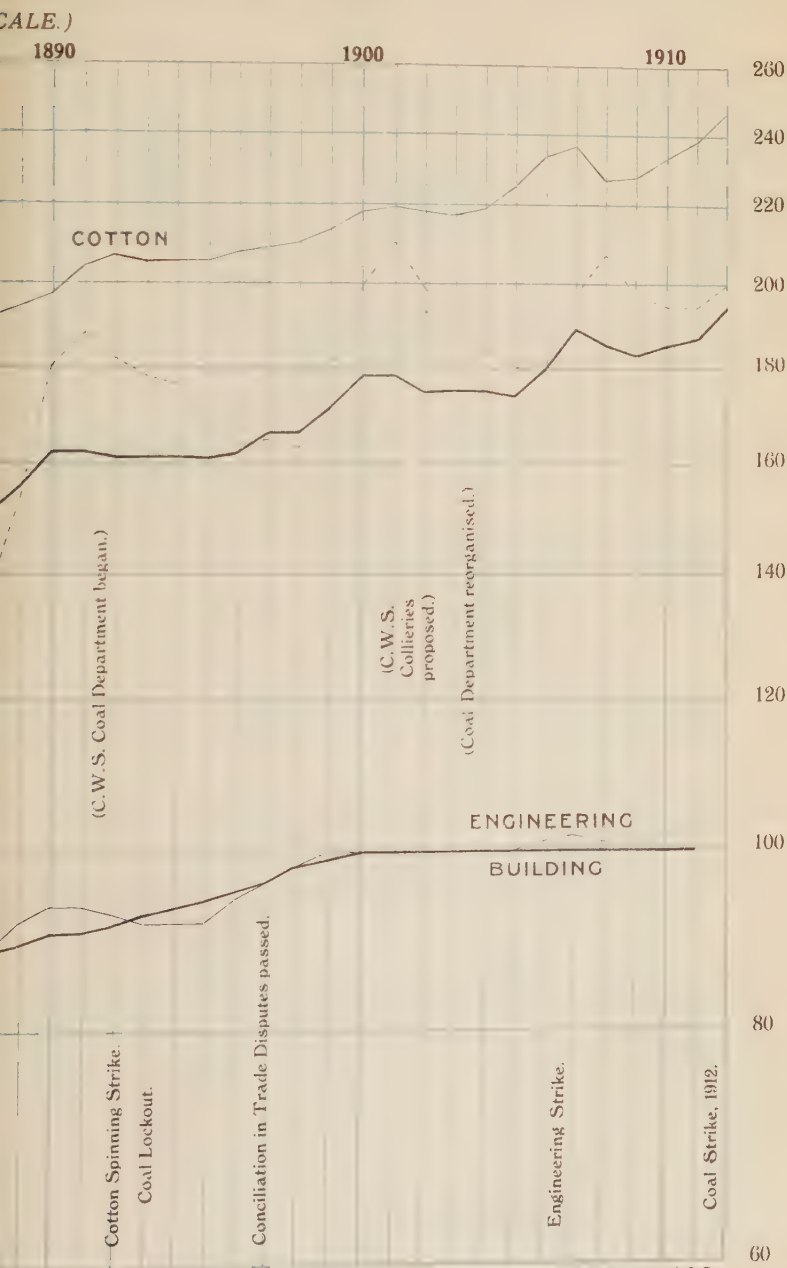
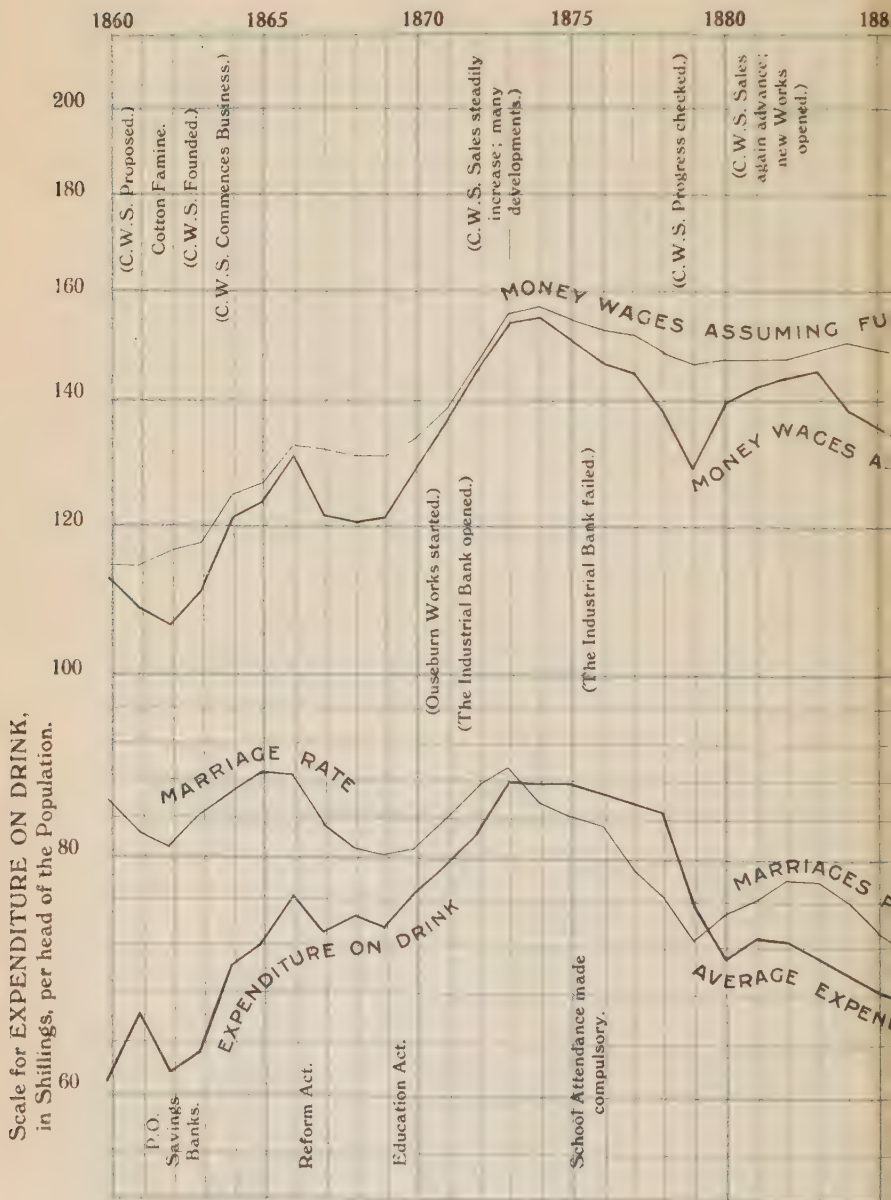


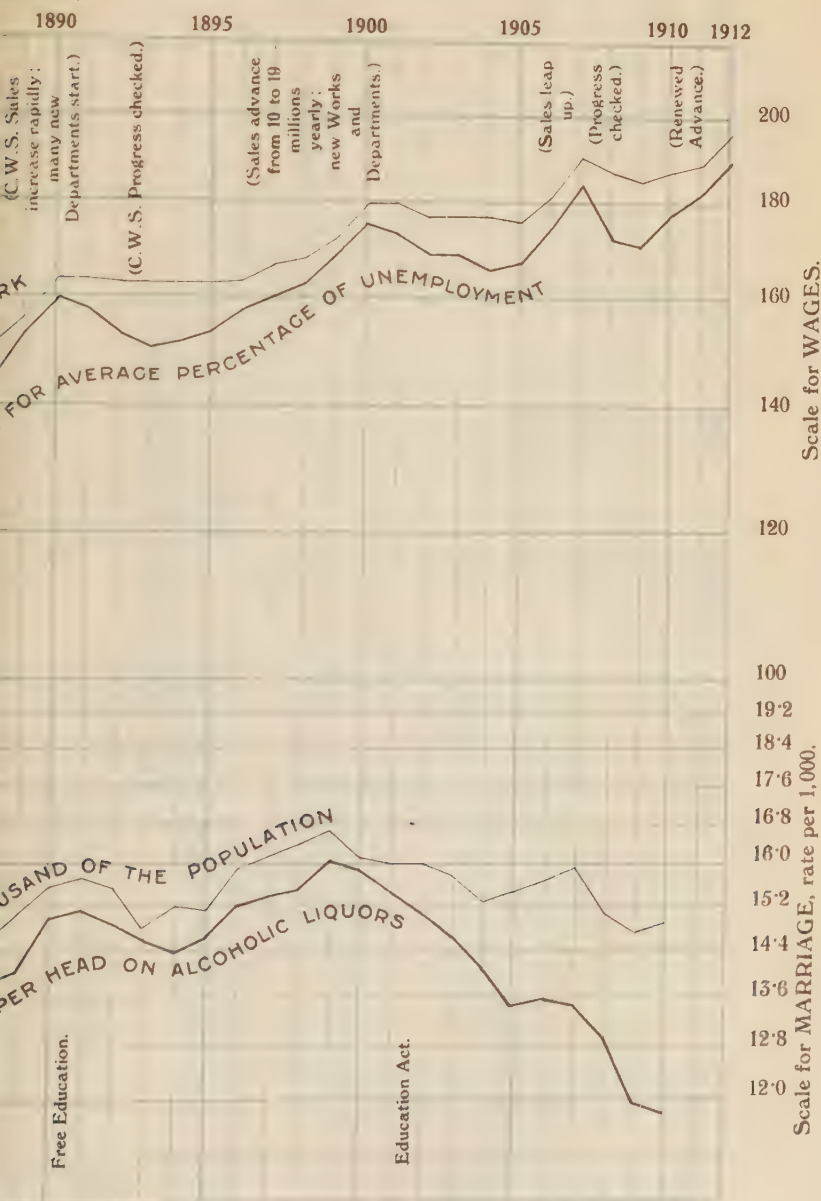
Diagram showing Changes in Wages, Employment, Marriage

(LOGARITHM)



Relation between Rate, & Expenditure on Alcoholic Liquors.

(SCALE.)



G. H. WOOD, F.S.S.

The C.W.S. Banking Department.

STATISTICS OF PROGRESS AT PERIODS OF TEN YEARS SINCE 1873.

Year.	No. of Current Accounts.	Turnover.	Current and Deposit Accounts.	Reserve.	Overdrafts and Advances.	Investments.	Cash and Bank Balances.
1873.....	62	£ 1581495	£ 180156	£ 138	£ 45204	£	£ 135621
1882.....	144	13772551	212560	1249	83050	.....	131200
1892.....	314	30679914	589733	13059	137951	195188	272473
1902.....	694	84644940	1564930	54605	743510	216320	669383
1912.....	987	158637300	4978410	126876	1117367	2910844	1258795

FROM THE COMMENCEMENT OF BUSINESS

YEAR ENDED	£ Shares taken up.	No. of Mem- bers belonging to our Shareholders.	CAPITAL.					
			Shares.	Loans and Deposits.	Trade and Bank Reserve Fund.	Insurance Fund.	Reserved Balances.	Total
			£	£	£	£	£	£
Oct., 1864 (30 weeks)	18337	2455	2455	Included in Shares.	82	.....	.....	2455
" 1865	24005	7182	7182	.....	.....	.....	.....	7182
" 1866	31030	10968	10968	.....	.....	.....	.....	10968
Jan., 1868 (65 weeks)	59349	11276	11276	14355	682	.....	.....	26311
" 1869	74737	14888	14888	16059	1115	.....	.....	32063
" 1870	79245	16556	16556	22322	1280	.....	.....	40655
" 1871 (53 weeks)	89880	19015	19015	22323	2826	.....	.....	44116
" 1872	5835	114588	24410	25768	1910	.....	.....	52088
" 1873	6949	134276	31352	112589	2916	.....	.....	146855
" 1874	13899	168985	48126	147949	1613	2356	.....	20004
" 1875	17326	198608	60930	193594	5373	3385	.....	26328
" 1876	22254	249516	78249	286614	8910	5834	.....	379600
" 1877 (53 weeks)	24717	276522	94590	299287	12631	10843	634	41798
" 1878	24979	274649	103091	287536	14554	12556	788	41852
" 1879	28206	305161	117657	291939	16245	15127	1146	44211
Dec., 1879 (50 weeks)	30688	331625	130615	321670	25240	15710	1095	49433
" 1880	33663	361523	146016	361805	38422	17905	1661	56584
" 1881	34351	367973	156052	386824	16037	18644	2489	58004
" 1882	38643	404006	171940	416832	20757	19729	2945	63220
" 1883	41783	433151	186692	455879	20447	21949	6214	69118
" 1884 (53 weeks)	45099	459734	207080	494840	25126	24324	9988	76135
" 1885	51099	507772	234112	524781	31094	40084	11104	84111
" 1886	58612	558104	270679	567527	37755	57015	11403	94437
" 1887	64475	604800	300953	590091	39095	73237	13666	101704
" 1888	67704	634196	318583	648134	51189	84201	13928	111603
" 1889 (53 weeks)	72399	679336	342218	722321	58358	119541	9197	125163
" 1890	92572	721316	434017	824974	48549	153231	11695	147446
" 1891	100022	751269	473956	900752	53165	193115	15409	163639
" 1892	112339	824149	523512	925471	56301	218534	17827	174164
" 1893	121555	873698	570149	917482	35813	240884	14973	177930
" 1894	127211	910104	598496	972586	37556	259976	22488	189110
" 1895 (53 weeks)	132639	930985	635541	1092070	64354	282563	19050	209357
" 1896	142868	993564	682656	1195895	97852	319478	20161	231604
" 1897	151682	1053564	728749	1254319	109883	350747	28623	247232
" 1898	161720	1118158	775536	1297182	152460	382620	24202	263200
" 1899	170993	1179609	821224	1372541	199104	415690	20942	282950
" 1900	182810	1249091	883791	1568163	257056	447390	31545	318794
" 1901 (53 weeks)	196556	1315235	948944	1664705	285132	477904	39304	341604
" 1902	208299	1392399	1006894	1701932	342152	446757	4915	350266
" 1903	216249	1445099	1043031	1871026	327905	481886	13700	373754
" 1904	257424	1594145	1196703	1890352	313413	516969	11739	392917
" 1905	270366	1635527	1307341	2192681	329995	559545	9371	439893
" 1906	287915	1703564	1388338	2581120	375565	598363	12557	495594
" 1907 (53 weeks)	303701	1768935	1476021	2857013	416872	641375	15839	540719
" 1908	323164	1845415	1570732	3031924	477370	692547	16177	575877
" 1909	341631	1925517	1657305	3276733	468602	742381	16295	616133
" 1910	355337	1991576	1740619	3481922	538984	794299	10817	656664
" 1911	372280	2067776	1830511	4091472	617392	848609	9446	739747
" 1912 (53 weeks)	392934	2160191	1916151	4507581	713203	910536	8002	805547
Totals	.....	.....	.....	.....	.....	.....	.....	.....

of the C.W.S.

IN MARCH, 1864, TO DECEMBER, 1912.

Net Sales.	Comparison with Corresponding Period of Previous Year.		Distributive Expenses.		TRADE DEPARTMENT.			YEAR ENDED
	Increase.	Rate.	Amount.	Rate per £ on Sales.	Net Profit.	Average Divi. paid per £.	Transferred to Reserve and Insurance Funds.	
£	£	% cent.	£	d.	£	d.	£	
51857	.....	...	347	1'60	267	1½	.....	Oct., 1864 (30 weeks)
120754	.....	...	906	1'80	1858	3½	.....	" 1865
175489	54735	45'3	1615	2'20	2310	3	234	" 1866
331744	112688	51'4	3135	2'26	4411	3	450	Jan., 1868 (65 weeks)
412240	124063	43'0	3338	1'94	4862	2½	416	" 1869
507217	94977	23'0	4644	2'19	4248	1½	542	" 1870
677734	159379	30'7	5583	1'97	7626	2½	1620	" 1871 (53 weeks)
758764	86559	12'8	6853	2'16	7867	2½	1036	" 1872
1153132	394368	51'9	12811	2'66	11116	2½	3243	" 1873
1636950	483818	41'9	21147	3'10	14233	2	922	" 1874
1964829	327879	20'0	28436	3'47	20684	2	5461	" 1875
2247395	282566	14'3	31555	3'36	26750	2	7826	" 1876
2697366	401095	17'4	42436	3'77	36979	2	4925	" 1877 (53 weeks)
2827052	188897	7'1	43169	3'66	29189	2	579	" 1878
2705625	*121427	*4'2	43093	3'82	34959	2½	5970	" 1879
2645331	22774	0'8	41309	3'74	42764	2½	8060	Dec., 1879 (50 weeks)
3339681	611282	22'4	47153	3'38	42090	2½	10651	" 1880
3574095	234414	7'0	51306	3'44	46850	2	7672	" 1881
4038238	464143	12'9	57340	3'40	49658	2	3416	" 1882
4546889	508651	12'5	66057	3'48	47885	2	3176	" 1883
4675371	41042	0'8	70343	3'61	54491	2½	6431	" 1884 (53 weeks)
4793151	203946	4'4	74305	3'72	77630	3	17713	" 1885
5223179	430028	8'9	81653	3'75	83328	3	22546	" 1886
5713235	490056	9'3	93979	3'94	65141	2½	12186	" 1887
6200074	486839	8'5	105027	4'06	82490	2	15298	" 1888
7028944	709638	11'2	117849	4'02	101984	3	18907	" 1889 (53 weeks)
7429073	532750	7'7	126879	4'09	126979	3½	20982	" 1890
8766430	1337357	18'0	143151	3'91	135008	3½	15847	" 1891
9300904	534474	6'0	165737	4'27	98532	2½	7511	" 1892
9526167	225263	2'4	179910	4'53	84156	2½	19556	" 1893
9443938	*82229	*0'8	186058	4'72	126192	2½	26092	" 1894
10141917	516365	5'3	199512	4'72	192766	3	37424	" 1895 (53 weeks)
11115056	1164496	11'7	218393	4'71	177419	3½	28045	" 1896
11920143	805087	7'2	246477	4'96	135561	2½	8338	" 1897
12574748	654605	5'4	255032	4'86	231256	3½	36618	" 1898
14212375	1637627	13'0	278882	4'70	286250	4	63838	" 1899
16043889	1831514	12'8	314410	4'70	289141	4	48210	" 1900
17642082	1448150	8'9	335183	4'55	288321	4	27210	" 1901 (53 weeks)
18397559	1014522	5'8	345855	4'51	336369	4	51697	" 1902
19333142	935583	5'0	354316	4'39	297304	4	4759	" 1903
19809196	476054	2'4	377606	4'57	332374	4	37774	" 1904
20785469	976273	4'9	396767	4'58	304568	4	13591	" 1905
22510035	1724566	8'2	430862	4'59	410680	4	54766	" 1906
24786568	2089570	9'2	468101	4'53	488571	4	67479	" 1907 (53 weeks)
24902842	487222	1'9	501975	4'83	371497	4	12481	" 1908
25675938	773096	3'1	513704	4'80	549080	4	72549	" 1909
26567833	891895	3'4	544584	4'91	462469	4	44007	" 1910
27892990	1325157	4'9	576830	4'96	579313	4	117894	" 1911
29732154	1601004	5'6	601884	4'85	613007	4	101184	" 1912 (53 weeks)
468556784	.....	...	8817497	4'51	7819083	3	.....

* Decrease.

+ From Reserve Fund.

Grants and Donations made by the C.W.S. since the Commencement of the Society.

STATEMENT SHOWING THE TOTAL DONATIONS TO (1) CO-OPERATIVE PURPOSES,
(2) HOSPITALS, INFIRMARIES, &C., (3) DISTRESS CAUSED BY STRIKES,
DEPRESSION IN TRADE, AND FAMINE, (4) DISASTERS BY LAND AND SEA,
(5) SUNDRY OBJECTS. FROM THE COMMENCEMENT OF THE SOCIETY TO THE
END OF THE YEAR 1912.

	£	£
(1) <i>Co-operative Purposes</i> :—		
(a) Co-operative Union.....	10,430	
„ Congresses	5,291	
„ International Alliance	465	
„ Women's Guild	620	
	<hr/>	
	16,806	
(b) Boycott of Co-operation—Defence Fund	3,000	
(c) Memorials to Famous Co-operators, &c.	1,267	
(d) Co-operative Societies—		
Special Grants	446	
Exhibitions, &c.	292	
(e) Agricultural Societies, &c.	498	
(f) Co-operator Newspaper—Loss	410	
	<hr/>	
		22,719
(2) <i>Hospitals, Infirmarys, Lifeboats, &c.</i>		38,575
(3) <i>Distress Caused through</i> —		
(a) Strikes and Depression in Trade.....	26,369	
(b) Famine	3,100	
	<hr/>	
		29,469
(4) <i>Disasters</i> :—		
(a) Earthquakes	2,635	
(b) Explosions at Collieries, &c.	7,470	
(c) Maritime	1,132	
(d) Floods, Fires, Storms, &c.	1,294	
	<hr/>	
		12,531
(5) <i>Sundry Objects</i> :—		
(a) Conferences, &c., Railway and Canal Rates	816	
(b) Railway and Canal Traders' Association	123	
(c) Manchester Sanitary Association	88	
(d) Trades Union Congresses	35	
(e) Various	318	
	<hr/>	
		1,380
	<hr/>	
Total		<u>£104,674</u>

Bonus Schemes.

PARTICULARS OF THE SCHEMES WHICH HAVE BEEN IN OPERATION AND AMOUNTS PAID SINCE THE COMMENCEMENT OF THE SOCIETY.

FIRST PERIOD, 1873 TO 1875.

Bonus was first paid by the Society in accordance with a resolution of the Quarterly Meeting passed in February, 1873, as follows:—

(a) When the profits will allow a dividend of—	Bonus on Wages.
2d. in the £.....	2 per cent.
2½d. „	2½ „
3d. „	3 „
3½d. „	3½ „
4d. „	4 „

(b) And when the business of the year then ending averages per quarter for each shareholder of our members:—

£ s. d.	Bonus on Wages.
2 0 0	1 per cent.
2 2 6	1½ „
2 5 0	2 „
2 7 6	2½ „
2 10 0	3 „

On the foregoing basis the following Bonus was paid:—

	£	s.	d.
April, 1873—4 per cent on Wages.....	66	10	3
July, „ 4½ „ „	97	6	7
Oct., „ 5 „ „	134	18	10
Jan., 1874—1½ „ „	44	19	6
April, „ 5 „ „	198	17	7
July, „ 5 „ „	250	3	4
Oct., „ 5 „ „	146	14	2
Jan., 1875—5 „ „	125	13	5
April, „ 3 „ „	88	1	1
	£1153	4	9

The above was paid to all employees in distributive departments, and to those receiving fixed wages in productive departments.

In December, 1874, an amended scheme was proposed, but referred back by the Quarterly Meeting for further consideration.

In June, 1875, Bonus was discontinued on the recommendation of the Committee, on the ground that the system was unworkable and unsatisfactory.

The Story of the C.W.S.

SECOND PERIOD, 1882 TO 1886.

In January, 1882, a scheme of Bonus was commenced in the Manchester Drapery Departments, and extended to the Furnishing Department in 1883, and to London Drapery, Boot and Shoe, and Furnishing Departments in 1885, on the following bases:—

1. *Basis for Manchester Drapery Department, in operation during 1882 to 1885—*

- (a) $\frac{1}{2}$ per cent on *increase in sales* over £130,000 per annum;
- (b) 10 per cent on *decrease in expenses*, calculated on the basis of £8,500 expenses to £130,000 sales;
- (c) Minimum net profit to be 3d. in the £ on sales.

2. *Basis for Manchester Furnishing Department, in operation during 1883 to 1885—*

- (a) $\frac{1}{2}$ per cent on *increase in sales* over £23,000 per annum;
- (b) 10 per cent on *decrease in expenses*, calculated on the basis of £1,300 expenses to £23,000 sales;
- (c) Minimum net profit to be 2d. in the £ on sales.

3. *Basis for Manchester Drapery and Furnishing Departments, in operation during 1886—*

- (a) $\frac{1}{2}$ per cent on *increase in sales* for 1886 over the sales for 1885, plus $\frac{1}{2}$ per cent on *increase in sales* for 1885 over the sales for 1884;
- (b) 10 per cent on proportionate *decrease in expenses* for 1886 compared with the expenses for 1885, plus 10 per cent on proportionate *decrease in expenses* for 1885 compared with the expenses for 1884;
- (c) Minimum net profit to be—for the Drapery Department, 3d. in the £ on sales; and for the Furnishing Department, 2d. in the £ on sales.

At London, Bonus was allowed on increase in sales and saving in expenses for the year compared with the preceding year, at the same rate as Manchester.

On the above bases the following payments were made:—

Year.	MANCHESTER.		LONDON.		Total.
	Drapery.	Furnishing.	Drapery.		
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
December, 1882	166 12 0	...	...	166 12 0	
„ 1883	293 3 8	75 8 3	...	368 11 11	
„ 1884	588 1 4	145 10 6	...	733 11 10	
„ 1885	622 19 6	211 9 4	74 14 8	909 3 6	
„ 1886	172 12 0	132 9 6	179 13 4	484 14 10	
	1843 8 6	564 17 7	254 8 0	2662 14 1	

At the end of 1886 the payment of Bonus was discontinued altogether, as the result of a resolution of Quarterly Meeting.

Chronological Index to Principal Events.

(The figures in italics provide references to pages of the narrative.)

Date.	Events.
1795 (June)	Hull Anti-Corn Mill opened. (223)
1816	Sheerness Economical Co-operative Society originated. (9)
1827	Meltham Mills Society commenced. (9)
1831 (May)	First Owenite Co-operative Congress, at Manchester. (6)
„ (Oct.)	Second Owenite Co-operative Congress, at Birmingham. North-West of England United Co-operative Company projected. (6)
1831 (Dec. 12)..	The North-West Company opens premises at Liverpool. (7)
1832	Third Congress at London. (7)
„ (Oct.)	Fourth Congress at Liverpool. Bazaar of Co-operative Productions organised by the North-West Company. (7)
1833 (April)....	Fifth Congress, at Huddersfield. (7)
1844	The Christian Socialists start Propaganda. (10)
„ (Oct. 24)..	Rochdale Pioneers' Co-operative Society registered. (10)
1847	Leeds Co-operative Corn Mill opened. (224)
1850	Rochdale Corn Mill erected. (10, 224)
„	Christian Socialists form Working Men's Associations. (11)
„	E. V. Neale founds the Central Co-operative Agency in London. (11)
1851 (April 18).	Conference at Bury recommends formation of Central Trading Dépôt. (13)
„ (June 13).	Manchester Conference appoints a Committee to Plan a Central Wholesale Dépôt. Plan drawn up by Lloyd Jones. (13)
1852	Central Co-operative Agency (London) goes out of business. (12)
„	Industrial and Friendly Societies Act passed. (13)
1852-3.	Co-operative Conferences at London and Manchester report upon establishing Wholesale Central Dépôt. (13-14)
1856	Rochdale Pioneers' Wholesale Department commenced. (14)
1860	The <i>Co-operator</i> commenced publication. (17)
„ (Aug. 12)..	Tea Party and Discussion at Lowbands Farm, Jumbo. Committee appointed to prepare the way for federation. (19)
„	Conference at Oldham. (22)
„ (Oct. 7)....	Conference at Rochdale. (22)
„ (Dec. 25)..	The Committee formed at Jumbo reports to a Conference at Manchester. Further steps taken to alter the law. (22)

The Story of the C.W.S.

Date.	Events.
1861 (Mar. 29)..	Further Conference at Oldham. (25)
„ (June)	The Co-operators' Bill introduced, but abandoned for the Session. (25)
„ (Dec. 25)..	Further Conference at Rochdale. (26)
1862	Industrial and Provident Societies Act passed. (26)
„	Midland Counties Co-operative Wholesale Industrial and Provident Society Limited established at Northampton. (15)
„ (Good Friday) ...	“Northern Union of Co-operative Stores” projected at Newcastle. (57)
1863 (April 3)..	Special Conference in Ancoats, Manchester. C.W.S. resolved upon. (29)
„ (June 8 and July 25)	C.W.S. Rules drafted. (31)
„ (Aug. 11)..	C.W.S. legally enrolled. (31)
„ (Oct. 10)..	First Meeting after enrolment. (31)
„ (Nov. 21).	First General Meeting of the C.W.S. Officers and Committee appointed. (31)
1864 (Mar. 14)..	C.W.S. commenced business at 3, Cooper Street, Manchester. (33)
„ (May 21)..	C.W.S. Half-yearly Meeting, Temperance Hall, Manchester. Thirty-two Societies represented. (34)
„ (Nov.)	C.W.S. removes to 28, Cannon Street, Manchester. Dividend of 1½d. in the £ declared on purchases. (36)
1865	C.W.S. occupies premises at 53, Dantzic Street. (36)
1866 (April 24).	Butter Buyer appointed, and Tipperary Dépôt opened. (36)
„ (April)....	Establishment of Newcastle Branch mooted. (58)
1867 (April 19).	Insurance Conference at Downing Street, Manchester. (332)
„	Industrial and Provident Societies Act annuls the limitation of Societies' Investments. (31)
„ (June 8)...	Glasgow Conference to found Scottish C.W.S. English C.W.S. represented. (37)
„ (Aug. 29)..	Co-operative Insurance Company (Society) registered. (333)
„ (Nov. 16).	Rules altered. Quarterly Meetings and Balance Sheets decided upon. Depreciation on Buildings commenced. Committee enlarged from seven to nine Members. Membership restricted to Retail Societies. (37)
„	The <i>Grocer</i> attempts to organise a boycott. (43)
1868 (June 1)...	Kilmallock Purchasing Dépôt opened. (44)
1869 (Mar. 1)...	First Balloon Street Warehouse opened. (45)
„ (May 31)..	First Co-operative Congress (present series) and Co-operative Exhibition held in London. (85)
„ (July 12)..	Limerick Dépôt opened. (48)
1870 (Good Friday)	Conference on Banking at Bury. (65)
„ (Aug.)	Abraham Greenwood resigns the Chairmanship to become Cashier. Mr. James Crabtree elected Chairman. (48)
„	Midland Counties Wholesale Society wound up. (16)
1871	A Southern C.W.S. proposed. (86)
„	Extension of Balloon Street Premises. (73)

Chronological Index.

Date.	Events.
1871	Industrial and Provident Societies Act amended. (66)
.. (Feb. 18)..	Rules altered to allow of Manufacturing. (49)
.. (Aug. 19)..	Newcastle Branch authorised. (58)
.. (Sept. 2)...	<i>Co-operative News</i> commenced publication.
1872 (May)	Pudding Chare (Newcastle) Premises opened. (60)
..	Congress Discusses Banking. (66)
.. (May 18)..	First Steps towards Banking Department taken. (66)
.. (July 8)...	Industrial Bank (Newcastle) commenced. (67)
.. (Aug.)	Manchester Boot and Shoe Department constituted. (73)
.. (Oct. 14)..	"Deposit and Loan Department" commenced. (67)
.. (Oct. 26)..	Conference at Banbury urges Wholesale to manufacture Boots. (75)
.. (Nov. 16).	C.W.S. authorised to commence Production (Biscuits and Sweets and Boots and Shoes). (75)
.. (Nov. 16).	"North of England" dropped from the Society's Title. (73)
.. (Nov. 16).	C.W.S. adopts Profit-sharing. (79)
1873	Wreck of S.S. <i>St. Columba</i> leads to C.W.S. forming an Insurance Fund. (97)
..	Coal "Famine." (108)
.. (Jan. 13)..	Crumpsall Works purchased. (76)
.. (Feb. 11)..	Aberdare Society agitate for C.W.S. Depôt at Cardiff or Bristol. (143)
.. (Feb. 15)..	London Branch discussed. (87-88)
.. (April 14).	Armagh Depôt opened. (95)
.. (May 17)..	Committee authorised to establish a London Branch. (88)
.. (June 2)...	Manchester Drapery Department commenced. (98)
.. (July 14)..	Waterford Depôt opened. (95)
.. (Aug. 2) ..	"United Coal Mining Society" formed. (109)
.. (Sept. 15).	Leicester Boot and Shoe Works (Duns Lane) commenced. (77)
1874 (Jan. 22)..	Waterloo Street Warehouse (Newcastle) opened. (61)
.. (Feb. 2)...	Tralee Depôt opened. (95)
.. (Mar. 9)...	London Branch opened in the Minorities. (88)
.. (Mar.)	Joint Action with Scottish C.W.S. begun. (95)
.. (May)	Mr. James Crabtree retires from the Chairmanship. J. T. W. Mitchell succeeds. (93)
.. (Sept. 20).	Durham Soap Works purchased. (78)
.. (Sept. 24).	Rules altered to provide for Representation and Government of Branches. (93)
.. (Dec. 19)..	London Branch Committee appointed. (89)
.. (Dec.).....	Leicester Factory (Duns Lane) purchased. (78)
1875 (April 2)..	Liverpool Purchasing Department commenced. (97)
.. (June 15).	Manchester Drapery Warehouse, Dantzic Street, opened. (99)
1876 (Feb. 21)..	New York Depôt established. (97)
.. (May 24)..	S.S. <i>Plover</i> purchased. (127)
.. (July 16)..	Manchester Furnishing Department commenced. (101)
.. (Sept.).....	Transfer of Industrial Bank contemplated. (105)
.. (Oct. 5)....	Industrial Bank fails. (105)

The Story of the C.W.S.

Date.	Events.
1876 (Nov. 25).	Special Conference <i>re</i> C.W.S. attitude towards Industrial Bank and Ouseburn Works. C.W.S. exonerated from blame. (107)
, ,	Industrial and Provident Societies Act legalises Banking. C.W.S. "Loan and Deposit" Department becomes the "Banking Department." (70)
1877 (Jan. 15)..	Cork Dépôt established. (96)
, ,	First Drapery Traveller sent out. (100)
, , (April)....	"United Coal Mining Society" fails. Bugle Horn Colliery taken over by C.W.S. (109-110)
1879 (Feb. 21)..	S.S. <i>Pioneer</i> launched. (128)
, , (Mar. 24)..	Rouen Dépôt opened. (132)
, , (June 30).	Goole Forwarding Dépôt opened. (118, 129)
, , (July 19)..	Foundation Stone of London Warehouse, Hooper Square, laid by Judge Hughes. (90)
, ,	Industrial Depression. Decrease in Sales. (112)
1880 (Jan. 1)...	<i>C.W.S. Annual</i> first issued. (117)
, , (June 30).	S.S. <i>Plover</i> sold. (129)
, , (Aug. 14.).	Heckmondwike Boot and Shoe Works commenced. (119)
1881 (Jan. 12)..	Leman Street (London) Premises opened. (91)
, ,	S.S. <i>Cambrian</i> purchased. (129)
, , (June 6)...	Copenhagen Dépôt opened. (118)
, , (July 30)..	Conference at Wakefield asks for Yorkshire Branch of C.W.S. (118)
1882 (Jan. 18)..	Garston Forwarding Dépôt commenced. (132)
, , (Mar.)	Bugle Horn Colliery sold. (110)
, , (May)	Dining-room, Balloon Street, opened. (116)
, , (Oct. 31)..	Leeds Saleroom opened. (118)
, , (Nov. 1)...	Tea Department, London, commenced. (121)
1883 (Feb. 10)..	Conference at Plymouth on a Western C.W.S. Branch. (145)
, , (July).....	Direct Cargo of Tea for C.W.S. comes from China. (121)
, ,	S.S. <i>Marianne Briggs</i> bought and re-named <i>Unity</i> . (129)
, , (Nov. 3)...	Rules altered: General and Branch Committees enlarged. (93)
1884 (April-June)	First Deputation to America. (119)
, , (Sept. 13).	Commemoration of the Society's Twenty-first Anniversary at Newcastle-on-Tyne and London. (122)
, , (Sept. 20).	Commemoration at Manchester. (123)
, , (Sept. 29).	Bristol Dépôt commenced business. (145)
, , (Oct. 6)....	S.S. <i>Progress</i> launched. (131)
, ,	Hamburg Dépôt opened. (118)
1885 (Aug. 25).	Huddersfield Saleroom opened. (152)
, , (Dec. 30)..	Fire at the London Tea Department. (160)
1886 (April 22).	Nottingham Saleroom opened. (153)
, , (Aug. 25)..	Longton Dépôt opened. (162)
, , (Aug.)	C.W.S. Buyer first visits Greece. (165)
, , (Oct. 12)..	S.S. <i>Federation</i> launched. (131)
, , (Dec. 4)...	Cloth Making, Flour Milling, and Cocoa Manufacture authorised. (175-7)

Chronological Index.

Date.	Events.
1887	£20,000 invested in Ship Canal. (133)
.. (Mar. 14)..	Batley Mill commenced. (175)
.. (June)	Pepper Grinding commenced. (179)
.. (Aug. 29)..	Heekmondwike Currying Department commenced. (174)
.. (Oct.)	Employees' Sick and Burial Club instituted. (368)
.. (Nov. 2)..	Manufacture of Cocoa and Chocolate commenced. (178)
.. (Nov. 2)...	London (Leman Street) New Premises opened. (160)
1888	Enderby Boot Factory opened. (171)
.. (July).....	S.S. <i>Equity</i> launched. (131)
.. (July).....	Irish Co-operative Aid Association formed. (296)
1889	C.W.S. take Shares in first Irish Dairy Society registered— Dromcollogher. (297)
.. (Oct. 21)..	First C.W.S. Dried Fruit Sale held at Liverpool. (165)
1890 (May 16)..	Blackburn Saleroom opened. (153)
.. (June 10).	Leeds Clothing Factory commenced. (176)
.. (Oct. 22)..	Northampton Saleroom opened. (152)
1891 (Mar. 7)...	First Divisional Meetings held. (157)
.. (Mar. 14)..	Land Purchased at Broughton. (262)
.. (April 18).	Dunston Corn Mill opened. (230)
.. (June)	Site for Irlam Works purchased. (241)
.. (June 20).	Profit-sharing finally rejected. (186)
.. (Oct. 22)..	Cardiff Saleroom opened. (148)
.. (Nov. 4)...	Leicester Wheatsheaf Works opened. (172)
.. (Nov. 4)...	Aarhus Depôt opened. (192)
1892 (April 9)...	Special Meetings endorse Committee's policy on Insurance Fund. (196)
.. (April 16).	Coal Conference at Balloon Street. (138)
.. (May 5) ...	Birmingham Saleroom opened. (153)
.. (Dec. 17 and 21)	Newcastle Branch Coming-of-Age Celebrations. (159,193)
1893 (May 8) ...	Broughton Cabinet Factory opened. (262)
1894 (Jan. 1) ...	Ship Canal opened for Traffic. S.S. <i>Pioneer</i> first Merchant Vessel to reach Manchester from oversea. (134)
.. (June)	Montreal Depôt established. (193)
.. (Oct. 2)....	Irlam Works opened. (241)
.. (Dec. 8)...	Quarterly Meetings endorse Committee's policy on Deprecia- tion. (197)
1895	Broughton Tailoring Factory commenced. (263)
.. (Jan. 23)..	Printing Department commenced. (191)
.. (Mar. 9)...	First C.W.S. Creamery (Castlemahon) acquired. (297)
.. (Mar. 16)..	Death of J. T. W. Mitchell. (202)
..	Mr. J. Shillito elected Chairman. (206)
.. (April 24).	London Branch Coming-of-Age Celebrations. (194)
.. (June)	Durham Soap Works closed. (241)
.. (Aug. 5)...	Gothenburg Depôt opened. (192)
.. (Oct.)	S.S. <i>Unity</i> run down and sunk in River Seine. (136)
1896 (Jan. 2)....	Architects' Department formed. (325)
.. (April 24).	West Hartlepool Lard Refinery purchased. (254)
.. (June 13).	Roden Estate purchased. (209)

The Story of the C.W.S.

Date.	Events.
1896 (June 26).	Middleton Jam Works commenced. (207)
„ (July 1)...	The <i>Wheatsheaf</i> first published. (221)
„	Denia Dépôt opened. (167)
„	Broughton Mantle, Shirt, and Underclothing Factories opened. (267)
1897 (Feb. 10)...	Northampton (Guildhall Road) Premises opened. (152)
„ (Mar. 1)...	Broughton New Tailoring Factory opened. (264)
„ (Mar. 22)...	London Tea Department New Premises opened. (214)
„ (Aug. 7)...	Sydney Dépôt commenced. (193)
„ (Sept. 11).	Committee authorised to tender for Government and Municipal Supplies. (206)
1898 (Mar. 12)...	Tobacco Factory (Manchester) purchased. (252)
„ (April 1)...	Littleborough Flannel Mill acquired. (271)
„ (June 11).	Quarterly Meetings agree to Augmentation of Insurance Fund. (334)
„ (June 26).	Odense Dépôt opened. (192)
„ (July 11)...	Longsight Printing Works commenced. (190)
„ (Oct. 20)...	Corset Making commenced. (269)
„ (Dec. 10)...	Half-yearly Stocktakings commenced. (206)
„ (Dec. 10)...	Rules altered to extend C.W.S. Insurance Business. (338)
1899 (June 10).	Newcastle Branch Quarterly Meeting first held at West Blandford Street. (324)
„ (June 25).	C.W.S. Dividend rises to 4d. (318)
„ (Dec. 16)...	Rushden Boot Factory purchased. (277)
1900 (Jan. 19)...	Herning Bacon Factory purchased. (192)
„ (April 14).	Silvertown Flour Mills opened. (232)
1901 (April 30).	Sydney Tallow Factory purchased. (244)
„ (July 27)...	Roden Convalescent Home opened. (211)
„ (Aug.-Nov.)	Coal Conferences. C.W.S. Coal-mining recommended. (140)
„ (Sept.)....	Bute Terrace (Cardiff) Premises opened. (149)
„ (Sept. 3)...	Tralee Bacon Factory commenced. (306)
„	Tax of 4s. 2d. placed on Sugar. (294)
1902 (April 9)...	Pershore Street (Birmingham) New Premises opened, and Cycle Dépôt established. (153)
„ (April 25).	Fire at Newcastle Branch. (259)
„ (May 1)...	Work commenced at Pelaw Drug Factory. (255)
„ (June 21).	Nugawella and Weliganga (Ceylon) Tea Estates purchased. (218)
„ (Sept. 8)...	Luton Cocoa Works opened. (178)
„ (Sept.)....	Work commenced at Pelaw Cabinet Factory. (262)
„ (Nov. 1)...	Launch of S.S. <i>Unity</i> (II.). (131)
1903 (June 20).	Trafford Wharf and land purchased. (307)
„ (July 1)...	Leicester Hosiery Factory taken over. (273)
„ (Oct. 24)...	Launch of S.S. <i>Fraternity</i> . (135)
1904	London Brushmaking Transferred to Leeds. (287)
„ (Jan. 25)...	Employees start Thrift Fund. (356)
„ (Feb. 20)...	Marden Fruit Farm purchased. (213)
„ (April 18).	New Drapery Buildings (Manchester) opened. (259)

Chronological Index.

Date.	Events.
1904 (June 20).	Brislington Butter Factory commenced. (306)
.. (June 20).	C.W.S. Committee report against buying Collieries. Coal Department re-organised. (141)
.. (July 1)...	Huddersfield Brush Factory taken over. (287)
..	Collective Life Assurance instituted by C.I.S. (333)
..	Silvertown Grocery Productive Factory built. (308)
1905 (Feb. 15).. <td>Weaving commenced at Bury. (270)</td>	Weaving commenced at Bury. (270)
.. (June 17).	Special Committee on C.W.S. Constitution appointed. (320)
.. (July 3)...	Desborough Corset Factory opened. (269)
.. (Sept. 5)...	Esbjerg Dépôt opened. (192)
.. (Oct. 26).. <td>Launch of S.S. <i>New Pioneer</i>. (135)</td>	Launch of S.S. <i>New Pioneer</i> . (135)
1906 (Jan. 1) ...	Rochdale Flour Mill taken over. (236)
.. (Mar. 31).. <td>Star Mill (Oldham) taken over. (236)</td>	Star Mill (Oldham) taken over. (236)
.. (April 28).	Sun Flour Mill bought. (237)
.. (May 16).. <td>Broad Quay (Bristol) Premises opened. (150)</td>	Broad Quay (Bristol) Premises opened. (150)
.. (July 21).. <td>Report of Special Committee adopted. Unification of General and Branch Committees. (321)</td>	Report of Special Committee adopted. Unification of General and Branch Committees. (321)
.. (Oct. 11 to Nov. 23)	"Soap Trust" Agitation. (242)
.. (Dec.).....	East Coast Shipping Department closed. (131)
.. (Dec. 15).. <td>Land and Buildings Purchased for Leeds New Brush Works. (287)</td>	Land and Buildings Purchased for Leeds New Brush Works. (287)
1907	Output of C.W.S. Soap increased by one-third over 1906. (243)
..	C.W.S. House-building Scheme (Bank Advances—instituted 1897, suspended 1901) re-opened. (327)
.. (June 15).	Grants by Committee to Employees' Thrift Fund approved. (357)
.. (Aug.)	Minimum Wage extended to all Adult Male Employees. (358)
.. (Sept. 14).	Mitchell Memorial Hall opened. (322)
.. (Oct. 1)....	Huddersfield New Saleroom opened. (287)
.. (Nov. 9)...	Special Insurance Conference at Middlesbrough. C.W.S. urged to take action. (338)
1908 (Feb. 4)...	Huthwaite Hosiery Factory commenced. (274)
.. (May 18).. <td>Silvertown Soap Works opened. (243)</td>	Silvertown Soap Works opened. (243)
.. (June 29).	Keighley Ironworks, Dudley Bucket and Fender Works, and Birtley Tinplate Works taken over. (288-9)
..	Sugar Tax Reduced to 1s. 10d. (294)
1909 (Jan. 16).. <td>Irish Creamery Conference. C.W.S. agree to transfer Creameries. (304)</td>	Irish Creamery Conference. C.W.S. agree to transfer Creameries. (304)
.. (Feb. 15).. <td>Dunston-on-Tyne Soap Works opened. (243)</td>	Dunston-on-Tyne Soap Works opened. (243)
.. (Feb. 22).. <td>Pontefract Fellmongering commenced. (308)</td>	Pontefract Fellmongering commenced. (308)
.. (April 5).. <td>Leicester Printing Works commenced. (191)</td>	Leicester Printing Works commenced. (191)
1910 (April)....	Individual Deposits accepted by C.W.S. Bank. (329)
.. (April 27).	Avonmouth Flour Mill opened. (233)
.. (July 19).. <td>Leman Street (London) Extensions opened. (259)</td>	Leman Street (London) Extensions opened. (259)
.. (Dec. 17).. <td>Special Meetings endorse Committee's policy on Insurance. (341)</td>	Special Meetings endorse Committee's policy on Insurance. (341)

The Story of the C.W.S.

Date.	Events.
1911 (Oct. 18)..	Hearing of the case Masbro' Equitable Co-operative Society Limited v. Lever Bros. Limited and Benjamin Brooke and Co. Limited. C.W.S. defends. Judgment for defendants. (246)
„ (Dec. 1)...	Rochdale Paint Works commenced. (236)
1912 (Feb. 29 to Mar. 2)	Plaintiffs' Appeal in Soap Case dismissed. (250)
„ (Mar. 16)..	Land Bought for Leeds Boot and Shoe Works. (285)
„ (July 3)...	C.W.S. Health Insurance Section formed. (345)
„ (Aug. 6)...	Wisbech Estate purchased. (213)
„ (Aug. 12)..	Radcliffe Weaving Shed commenced. (270)
„ (Dec. 21)..	Transfer of Co-operative Insurance Society agreed to by C.W.S. Quarterly Meetings. (342)
„ (Dec. 21)..	Delegates recommend Adoption of Minimum Wage for Girl and Women Workers on the "Congress" Scale. (363)
1913 (Jan. 20)..	Sheffield Shirt Factory opened. (268)
„	Denmark (Ceylon) Tea Estate purchased. (219)
„	Lower Barcaple and Westhall (Ceylon) Tea Estates purchased. (219)
„	Whalley Farm purchased. (214)
„ (Sept. 13 and 20)	The Society celebrates its Jubilee.

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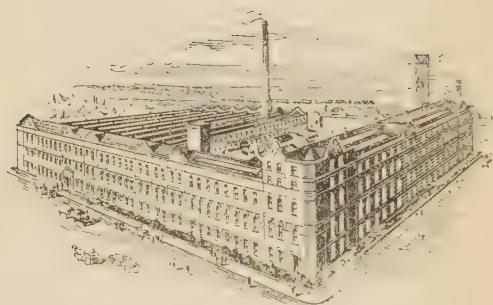
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